October 08, 2025

To,
Listing/Compliance Department
BSE Limited
P.J. Towers, Dalal Street,
Mumbai- 400 001
Scrip Code- 526479

Sub: Intimation of Credit Rating
Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir/Madam,

We wish to inform you that CRISIL Ratings Limited have issued the credit ratings to the Company's Long Term and Short Term Loan Facilities as follows:

Total Bank Facilities Rated	Rs. 18.3 Crore
Long Term Facility	CRISIL BBB-/Stable
Short Term Facility	CRISIL A3

A copy of the Rating Rationale issued by CRISIL is enclosed.

The aforesaid disclosure is also available on the company's website i.e. https://skycorp.in

We request you to take the same on your records.

Thanking you.

Yours faithfully,

For SKY INDUSTRIES LIMITED
MAIKAL BHUPENDRA RAORANI
Digitally signed by MAIKAL BHUPENDRA RAORANI
Date: 2025.10.08 10:43:04 +05'30'
MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN: 00037831

Encl.: a/a

Crisil Ratings

Rating Rationale

October 07, 2025 | Mumbai

Sky Industries Limited

Ratings reaffirmed at 'Crisil BBB- / Stable / Crisil A3 '

Rating Action

Total Bank Loan Facilities Rated	**Rs.18.3 Crore**
Long Term Rating	**Crisil BBB-/Stable (Reaffirmed)**
Short Term Rating	**Crisil A3 (Reaffirmed)**

Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Crisil Ratings has reaffirmed its ratings on the bank loan facilities of Sky Industries Ltd (SIL) at 'Crisil BBB-/Stable/Crisil A3'.

The ratings continue to reflect the company's established market position marked by large customer base, and healthy financial risk profile. These strengths are partially offset by the company's modest scale of operations in a highly fragmented industry and fluctuating profitability.

Analytical Approach

For arriving at its ratings, Crisil Ratings has consolidated the business and financial risk profiles of SIL with its subsidiary Skytech Textiles Pvt Lt; together these are referred to as Sky Group.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers - Strengths

Established market position in hook and loop industry: SIL's market position is backed by a strong track record of more than 25 years and more than 800 active customers and direct sales to 90% of the clients. The top 10 customers contributed to 35% revenues in fiscal 2025. Key customers have been associated with the company for 10-15 years, ensuring stable orders. As SIL supplies to a wide range of industries, including footwear, automotive and aviation, dependence on a single sector is low. The company sells its products under various brands, prominent among them being Sky-Magic, Sky-Walker, Sky-Magna and Sky-Wonder. The promoters' experience of around three decades, understanding of local market dynamics and established relationships with suppliers and customers should continue to support the business risk profile. Revenues has increased from Rs. 74 Crores in fiscal 2023 to Rs. 84 crores in fiscal 2025.

Healthy financial profile: SIL's capital structure is comfortable because of low reliance on external funds yielding gearing of 0.26 time and low total outside liabilities to adjusted networth (TOLANW) ratio of 0.44 time as on March 31, 2025. The debt protection metrics have been healthy because of low leverage and healthy profitability, as reflected in interest coverage and net cash accrual to total debt (NCATD) ratios of 9.58 times and 0.59 time, respectively, for fiscal 2025. The financial profile is expected to be comfortable over the medium term despite a expected debt-funded capex.

Key Rating Drivers - Weaknesses

Modest scale of operations: During the five fiscals through March 31, 2025, although the revenue have increased to Rs 84 crore, it remains modest. Scale up in operations is constrained by intense competition from a large unorganized sector, leading to smaller market size for manufacturers of premium, high-quality fasteners and moderate export revenue. The overall scale of operations is expected to remain moderate given the industry dynamics.

Low and fluctuating profitability: Operating profitability fluctuated between 7% to 12% over the three fiscals through 2025, primarily on account of fluctuations in raw material prices. While SIL has moderate ability to pass on these input price hikes to clients, operating margin is expected to remain susceptible to any large and sudden movements in input prices.

Liquidity Adequate

Bank limit utilisation is low at around 39% for the past twelve months ended August 2025. Cash accrual are expected to be over Rs 6 to 8 crore which is sufficient against term debt obligation of around Rs 2.50 crore over the medium term.

Current ratios are healthy at 2.23 times on March 31, 2025. Unencumbered cash and bank balance of around Rs 0.48 crore as on March 31, 2025. Low gearing and moderate net worth support its financial flexibility and provides the financial cushion available in case of any adverse conditions or downturn in the business.

Outlook Stable
Crisil Ratings believes SIL's business risk profile will continue to benefit from the extensive experience of its promoters and established relationships with customers

Rating sensitivity factors
Upward factors
- Sustained improvement in revenue and profitability strengthening net cash accrual to above Rs 10 crores.
- Sustenance of financial and liquidity profile.

Downward factors
- Decline in operating margin and subdued revenue growth weakening net cash accrual to below Rs 4 crore over the medium term.
- Stretch in the working capital cycle or large debt-funded capex affecting the financial risk profile and liquidity.

About the Group
Incorporated in 1989, SIL promoted by Shah family and manufactures hook and loop tape fasteners and other value-added products, including velvet tape and webbings. It also deals in fibre glass insect screens and other products. The manufacturing facilities are in Navi Mumbai and Bhiwandi, Maharashtra. The company is listed on the Bombay Stock Exchange (BSE) and is managed by professional team.

Skytech Textiles Private Limited: It is a subsidiary that was incorporated on June 12,2023 and is engaged in the business of technical Textile and allied products namely Neoprene. It has recently commenced its operations.

Key Financial Indicators

As on / for the period ended March 31		2025	2024
Operating income	Rs crore	84.23	81.66
Reported profit after tax	Rs crore	5.85	4.55
PAT margins	%	6.95	5.07
Adjusted Debt/Adjusted Net worth	Times	0.26	0.31
Interest coverage	Times	9.58	5.75

Any other information: Not Applicable

Note on complexity levels of the rated instrument:
Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Cash Credit	NA	NA	NA	9.50	NA	Crisil BBB-/Stable
NA	Letter of Credit	NA	NA	NA	7.00	NA	Crisil A3
NA	Long Term Loan	NA	NA	31-Mar-30	1.80	NA	Crisil BBB-/Stable

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Sky Industries Limited	full	Parent
Skytech Textiles Private Limited	99.98%	Subsidiary

Annexure - Rating History for last 3 Years

	Current			2025 (History)		2024		2023		2022		Start of 2022
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	11.3	Crisil BBB-/Stable		--	16-07-24	Crisil BBB-/Stable	21-04-23	Crisil BB+/Stable	21-01-22	Crisil BB+/Positive	Crisil BB+/Stable

Non-Fund Based Facilities	ST	7.0	Crisil A3		--	16-07-24	Crisil A3	21-04-23	Crisil A4+	21-01-22	Crisil A4+	Crisil A4+

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	9.5	Kotak Mahindra Bank Limited	Crisil BBB-/Stable
Letter of Credit	7	Kotak Mahindra Bank Limited	Crisil A3
Long Term Loan	1.8	Kotak Mahindra Bank Limited	Crisil BBB-/Stable

Criteria Details

Links to related criteria
Basics of Ratings (including default recognition, assessing information adequacy)
Criteria for consolidation
Criteria for manufacturing, trading and corporate services sector (including approach for financial ratios)

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