

SKY INDUSTRIES LTD.

Commodity
Stock
Equity
Signature
Office Manager
Conclusive
Profession
Dollars
Meeting
Gains
Market
Finances
Capital
Shares
Promotion
Profit
Growth
Management
business
Trade
Currency
Strategy
Career
Access
Pound
tract
Rupees
Adverstising

2018-19
30th ANNUAL
REPORT

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ABOUT US

Established in the year 1989, we Sky Industries Limited, are one of India's leading player in Narrow Woven Fabrics.

We have grown to become one of India's leading suppliers and dominant players in Narrow Woven Fabrics, especially Hook and Loop tape fasteners, and continue to grow steadily year after year.

OUR VALUES

Trust. Reliability. Quality. Innovation. Customer Satisfaction.

OUR KEY PRODUCTS AND OFFERINGS

We offer a variety of customized fastening solutions for a wide range of industries, ranging from Textiles, Leather, Footwear, Infant wear, Sports, Defence, Orthopedics, Medical Accessories, Hygiene, Aviation, Automobiles, Home furnishings etc.

Innovation and expansion is the name of the game, and we are constantly trying to better ourselves every passing year, by introducing newer techniques and quicker solutions.

OUR MANAGEMENT
BOARD OF DIRECTORS
Mr. Shailesh Shah

Managing Director

Mr. Sharad Shah

Executive Director

Mr. Vaibhav Desai

Executive Director

Mr. Maikal Raorani

Executive Director

Ms. Aditi Bhatt

Independent Non - Executive Woman Director

Mr. Narendra Mahajani *

Independent Non - Executive Director

Mr. Amarendra Mohapatra**

Independent Non - Executive Director

Ms. Sanghamitra Sarangi***

Independent Non - Executive Director

*ceased to be Director w.e.f. February 14, 2019

**Appointed as Director w.e.f. July 27, 2018

***Appointed as Director w.e.f. August 14, 2019

Company Secretary

Ms. Arushi Singhal*

*Appointed w.e.f January 26, 2019

Auditors

M/s UKG & Associates, Chartered Accountants

(Firm Registration No. 123393W)

B-11, West View, 2nd Floor,

Opp. Swami Narayan Temple,

L.N. Road, Dadar (East), Mumbai – 400 014

COMMITTEES OF THE BOARD
AUDIT COMMITTEE

Ms. Aditi Bhatt (Chairman)

Mr. Amarendra Mohapatra

Mr. Maikal Raorani

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Amarendra Mohapatra (Chairman)

Ms. Aditi Bhatt

Mr. Maikal Raorani

NOMINATION AND REMUNERATION COMMITTEE

Ms. Aditi Bhatt (Chairman)

Mr. Amarendra Mohapatra

Mr. Maikal Raorani

Ms. Sanghamitra Sarangi

REGISTERED OFFICE	CORPORATE OFFICE	REGISTRAR & SHARE TRANSFER AGENTS
C-58, TTC Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai – 400705	1101, Universal Majestic, Ghatkopar Mankhurd Link Road, Chembur (West), Mumbai – 400043	Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083

Notice to the Members

NOTICE is hereby given that the **30th Annual General Meeting** (the Meeting) of the Members of **Sky Industries Limited** will be held on Saturday, September 14, 2019 at 10:30 AM at Hotel Highway view/ Shikara, Plot No.3, Sector-24, Mumbai – Pune Highway, Opposite Sanpada Railway Station, Navi Mumbai, Maharashtra - 400705 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2019; the Reports of the Board of Directors and Auditors thereon;
2. To declare Final Dividend on equity shares of the Company for the financial year ended 31st March, 2019;

The Board has recommended a Final Dividend of Rs. 1/- per Equity Share (Face value Rs. 10 per equity share) amounting to Rs. 46.06 lakhs for the year ended 2018-19.

SPECIAL BUSINESS:

3. To Consider Ratification of Sky Industries ESOP Plan 2018 (ESOP 2018)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to In - principle approval obtained from BSE Limited for issue and allotment of 5,00,000 (Five Lakh) stock options convertible into 5,00,000 (Five Lakh) equity shares of the Company the consent of the Members of the Company be and is hereby accorded to ratify the non-disclosure of points as mentioned in explanatory statement to the notice.

RESOLVED FURTHER THAT Mr. Maikal Raorani - Director & Mr. Shailesh Shah - Managing Director be and are hereby jointly and severally authorized to make necessary application to BSE and Depositories (NSDL & CDSL) for admission for listing and trading of the shares and appoint any Consultant, Advocate, Company secretary in practice or such other person, from time to time, and act in accordance with Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and do such acts and deeds as deem fit and proper

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution(s), the Board be and is hereby authorised, without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution, to (i) do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper; (ii) execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary in relation to ESOP 2018; and (iii) to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of ESOP 2018 and the issuance of the shares (including to amend or modify any of the terms thereof) and taking all the necessary steps for listing of the equity shares allotted on the Stock Exchanges as per the terms and conditions of the listing agreement with the concerned Stock Exchanges, as and when required;

RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts and to do all such acts, deeds, matters and things as may be required, to give full effect to the aforesaid Resolution(s).”

4. To approve Preferential issue and allotment of 7,20,000 convertible warrants into equity shares of the company to promoter(s)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 42 & 62 and other applicable provisions, if any, of the Companies Act, 2013, as amended (“Companies Act”) read with Companies (Share Capital and Debentures) Rules, 2014, to the extent notified and in this effect, and all other applicable provisions, if any, various rules, circulars, press

notes, clarification issued by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), and subsequent amendments thereto, including but not restricted to the (SEBI ICDR Regulations), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations") and amendments thereto as in force and subject to other applicable rules, regulations and guidelines of the Securities and Exchange Board of India ("SEBI") ("SEBI Regulations"), and the stock exchanges where the shares of the Company are listed ("Stock Exchanges") and enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into between the Company and the Stock Exchanges and subject to requisite approvals, consents, permissions and/or sanctions of the appropriate statutory authorities, if any, and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more of its power including the powers conferred hereunder), the Board be and is hereby authorized to create, offer, issue and allot up to 7,20,000 convertible warrants into 7,20,000 equity shares of face value of Re. 10/- each ("Equity Shares") fully paid up, for cash, at such price (including premium) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, on a preferential basis to the promoter(s) in one or multiple tranches and on such terms and conditions and in such manner, as the Board may think fit and proper and in its absolute discretion.

RESOLVED FURTHER THAT in accordance with the provisions of Chapter V of the SEBI ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the issue of convertible warrants into Equity Shares is 14th August 2019 which would be the date falling 30 days prior to the date of this Annual General Meeting and the floor price as calculated as per ICDR Regulation 2018 is of Rs. 29.25 per share (Rupees Twenty Nine and Twenty Five Paise Per Share).

RESOLVED FURTHER THAT the shares of the company are being infrequently traded as required under regulations 165 the company has obtained a certificate from an independent valuer giving valuation of the equity shares of the company and the minimum price suggested is of Rs. 29.25 per share.

RESOLVED FURTHER THAT the issue of shares, as above shall be subject to the following terms and conditions:

- A) Pursuant to regulation 167 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, on conversion of warrants into the equity shares allotted on preferential basis to promoters or promoter Group, shall be locked in up to a period of 3 year from the date the of trading permission;
- B) the equity shares to be allotted on conversion of warrants, pursuant to the aforesaid preferential allotment in one or multiple tranches, shall rank pari-passu in all respects including as to dividend, bonus and other corporate actions with the existing fully paid up equity shares of face value of Re. 10/- each of the Company;
- C) Subject to regulations of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, at any given point of time in any financial year, the Board shall not allot more than 2,50,000 equity share arising out of the conversion of 7,20,000 convertible warrants into equity shares of Rs. 10/- each;
- D) the Equity Shares on conversion of warrants shall be issued and allotted by the Company to the promoters mentioned herein above shall be in dematerialized form and within a period of 15 days from the date of passing of this resolution or in receipt of the in-principle approval from the Stock Exchanges, whichever is later, and provided further that where the issue and allotment of the said Equity Shares be pending on account of pendency of any approval for such issue and allotment by any regulatory authority, Stock Exchange or the Central Government, the issue and allotment shall be completed within a period of 15 days from the date of such approval; AND
- E) Any Loan (Loan Includes Prior Loan) outstanding in the Books of the company at any given time from the promoters shall be adjusted towards the subscription amount, including initial subscription amount.

RESOLVED FURTHER THAT subject to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to the Investor, as may deem expedient.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board/ the Committee be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid equity shares on conversion of warrants and listing of the equity shares in one or multiple tranches to be allotted on preferential allotment basis with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said equity shares, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities, issue and allotment of the equity shares, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and appoint any consultants and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and regulatory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

5. Sale/transfer/disposal of manufacturing unit(s)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT, pursuant to the provisions of Section 180(1)(a) and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the SEBI(Listing Obligations & Disclosure Requirements)Regulations, 2015 entered into by the Company with the Stock Exchanges, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to sell / transfer / dispose off its manufacturing unit situated at :

1. C-57/1 & 2, TTC Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai-400705.

Including land and Building in relation to the undertaking at such price and on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize and execute necessary documents including Agreements /deeds of assignment / conveyance and other ancillary documents and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

6. To approve increase in remuneration of Mr. Shailesh Shah, Managing Director of the Company:

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"Resolved that pursuant to the recommendation of Nomination and Remuneration Committee & Audit Committee and pursuant to the provisions of Sections 196, 197, 198, 201 and other applicable provisions if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including rules, notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may be

enacted from time to time) read with Schedule V of the said act, and such other approvals, permissions and sanctions of such authorities and/or agencies as may be required in this regard and subject to the provisions of the Articles of Association of the Company, approval of the Members be and is hereby accorded to the revision in the remuneration of Mr. Shailesh Shah (DIN: 00006154), Managing Director of the Company on following terms & conditions effective from August 14, 2019 for a period of 3 (Three) years:

Particulars	Amount
Term	3 years
Basic Salary	Rs. 2,50,000/- per month
House Rent Allowance	Rs. 1,25,000/- per month
Special Allowances	Rs. 1,25,000/- per month
Other Allowances	All other allowances as applicable to other senior managerial personnel & KMP as per company policy
Variable Pay	As may be decided by Board from time to time

Resolved Further That the overall Managerial Remuneration Payable to Mr. Shailesh Shah shall be such amount as may be fixed by the Board from time to time on recommendation of Nomination & Remuneration and Audit Committee but not exceeding Rs. 60 lakhs p.a. at any point of time and that the terms and conditions of the aforesaid remuneration payable to the said Managing Director & CEO be varied/ altered/ revised within said overall limit, in such manner as may be required during aforesaid period of 3 (Three) years.

Resolved Further That where in any Financial Year during the tenure of the said Managing Director, the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration.

Resolved Further That any of the Directors and the Company Secretary of the company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and settle any question, difficulty or doubt that may arise in the said regard.

7. To appoint Ms. Sanghamitra Sarangi (DIN: 08536750) as an Independent Director of the company:

To consider and if thought fit, pass with or without modification(s), following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Sections 149, 150 and 152 of the Companies Act, 2013 (“the Act”), Companies (Appointment and Qualification of Directors) Rules, 2014 (“the Rules”), Schedule IV to the Act, (including any statutory modification(s) or enactment(s) thereof for the time being in force) and all the other applicable provision(s), if any, of the Act, consent of the Members of the Company be and is hereby accorded to appoint Ms. Sanghamitra Sarangi (DIN: 08536750), as Independent Director of the Company, for a term of 5(five) consecutive years, that is up to August 13, 2024.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

By Order of the Board

Mumbai, August 14, 2019

Registered Office:

C-58, TTC Industrial Area,
Thane Belapur Road,
Pawne,
Navi Mumbai - 400 705.

Sd/-
Arushi Singhal
Company Secretary

NOTES:

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this notice under Note No.14.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
10. The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 6th September, 2019 to Saturday, 14th September, 2019, both days inclusive for the purpose of payment of dividend for the financial year ended March 31, 2019 and the AGM.
11. The dividend, as recommended by the Board, if sanctioned at the AGM, will be paid to those members whose names stand registered on the Register of Members as on 6th September, 2019:
 - a) As Beneficial Owners as at the end of business 5th September, 2019 as per the lists to be furnished by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b) As members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer Agents on or before Thursday, 5th September, 2019.

12. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
13. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:

M/s Link Intime India Pvt Ltd., C-101, 247 Park, LBS Road, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai – 400 083.

- (a) In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members.
- (b) The company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link www.evotingindia.com during the following voting period.

Commencement of e-voting : From 10.00 AM on 11th September, 2019
End of e-voting : Up to 05.00 PM on 13th September, 2019

E-voting shall not be allowed beyond 5.00 PM on 13th September, 2019. During the E-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is 5th September, 2019.

- (b) The company has engaged the services of CDSL as the Authorized Agency to provide e-voting facilities.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 11th September, 2019 at 10:00 a.m. and ends on 13th September, 2019 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 05 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below: