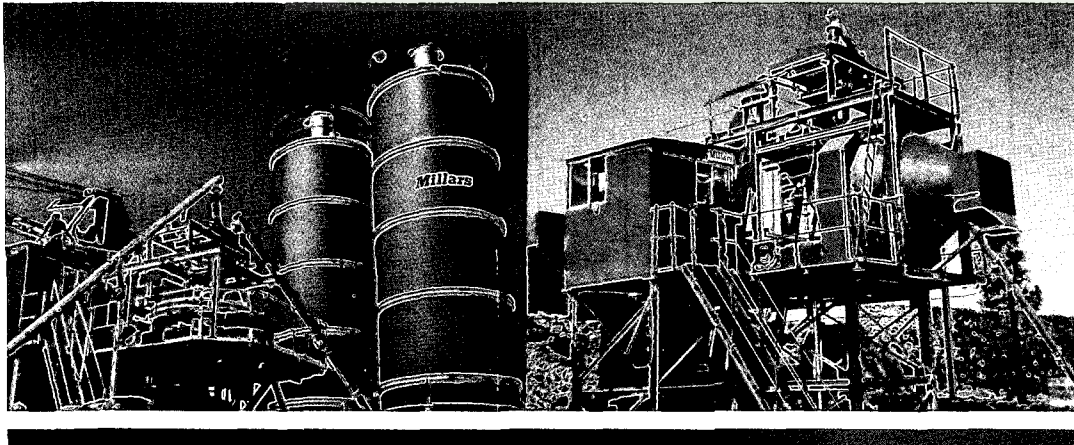




SKYLINE MILLARS LIMITED

(FORMERLY MILLARS INDIA LIMITED)

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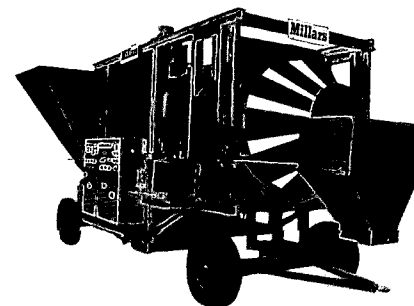
89th Annual Report
2008-2009

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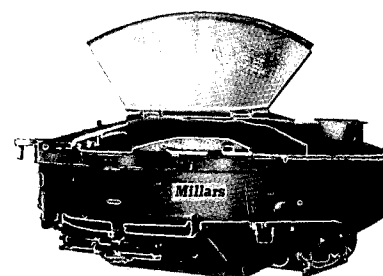


Board of Directors

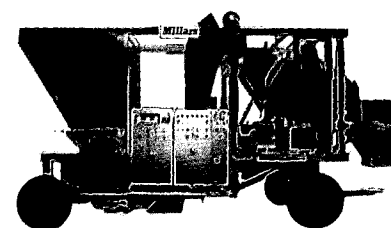
Name of the Directors	Designation
Mr. Anand J. Vashi	Independent Director & Chairman
Mr. Ashok J. Patel	Non-Executive Director
Mr. Vinod N. Joshi	Independent Director
Mr. Tarak A. Patel	Non-Executive Director
Mr. Jitendra M. Tater	Non-Executive Director
Mr. Jaysinh A. Dave	Non-Executive Director
Mr. Jatin V. Daisaria	Non-Executive Director
Mr. Upen M. Doshi	Additional Independent Director (w.e.f. 28.04.09)



General Manager (Marketing & Operations)	Pradeep R. Panchal
Financial Controller	Jinesh D. Shah
Dy. G.M. Finance & Company Secretary	Dhawal J. Vora
Bankers	Bank of Maharashtra IDBI Bank Limited ICICI Bank Limited Axis Bank Limited
Auditors	M/s Shah & Co. Chartered Accountants
Internal Auditors	M/s Arvind & Co. Chartered Accountants
Solicitors	M/s Vigil Juris Advocates, Solicitors & Notary



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Construction Equipments



NOTICE

NOTICE IS HEREBY GIVEN THAT THE **EIGHTY NINTH ANNUAL GENERAL MEETING** OF THE MEMBERS OF **SKYLINE MILLARS LIMITED** WILL BE HELD AT **BABASAHEB DAHANUKUR SABHA GRIHA, 6th FLOOR, ORICON HOUSE, 12 K. DUBHASH MARG (RAMPART ROW), FORT, MUMBAI 400 023** ON **TUESDAY, 29th SEPTEMBER, 2009 AT 11.00 A.M** TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date with the notes and schedules along with reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint Director in place of Mr. Ashok J. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Mr. Anand J. Vashi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Mr. Vinod N. Joshi, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOVLED THAT Mr. Upen M. Doshi, whose term of office as an Additional Director pursuant to Section 260 of the Companies Act, 1956, expires at this Annual General Meeting and in respect of whom the Company has received notice in writing from members under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**On behalf of the Board of Directors
FOR SKYLINE MILLARS LIMITED**

**Anand J. Vashi
(Chairman)**

Mumbai, July 27th, 2009.

Registered Office:

24, Kurla-Kirol Road, P.B.No. 9208,
Chatkopar (West), Mumbai 400 086.



NOTES:

- 1. 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.**
- 2. THE PROXIES, IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.**
3. The Register of Members and Share Transfer Register shall remain closed from Friday the 18th September, 2009 to Tuesday the 29th September, 2009 (both days inclusive).
4. The Dividend, after declaration, will be paid to those shareholders whose names stand on the Register of Members on 29th September, 2009. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares whose names appear in the list furnished by the Depositories at the end of business hour on 17th September, 2009. The dividend will be paid on and from 12th October, 2009.
5. The Securities and Exchanges Board of India has made it mandatory for all Companies to use the Bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the Bank account details, if available, on the payment instrument for distribution of dividend.
6. Explanatory statement under section 173(2) of the Companies Act, 1956 in respect of the Special Business set above is annexed.
7. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the meeting. Members are therefore, requested to bring their copies at the meeting.
8. Members are requested to produce the attendance slip sent along with the Annual Report, duly signed for admission to the meeting hall.
9. Members who are holding shares in identical order or names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio to facilitate better services.
10. Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, additional information relating to Directors recommended for appointment/re-appointment at the Annual General Meeting appears in the Directors' Report.
11. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least seven days before the date of the meeting, so that the information required may be made available at the meeting.
12. Members holding shares in physical form are requested to notify/send the following to the Company's Registrar and Share Transfer Agent to facilitate better service.
 - a. Any change in their address/mandate/Bank details.
 - b. Particulars of their Bank accounts in case the same have not been sent earlier, and
 - c. Share certificate (s) held in multiple accounts in identical names and/or joint accounts in the same order of names for consolidation of such shareholdings into one account.



EXPLANATORY STATEMENT:

Pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 7

Mr. Upen M. Doshi was appointed as an additional Director w.e.f. 28th April, 2009 pursuant to Section 260 of the Companies Act, 1956. The said Director is holding office upto the date of the ensuing Annual General Meeting. The Company has received notice in writing from members proposing the candidature of Mr. Upen M. Doshi for the office of the Director under section 257 of the Companies Act, 1956. The brief resume of the Director as required as per clause 49 of the Listing Agreement is annexed in the Annual Report.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors is concerned or interested in the said resolution except Mr. Upen M. Doshi as it is relating to his own appointment.

**On behalf of the Board of Directors
FOR SKYLINE MILLARS LIMITED**

Anand J. Vashi
(Chairman)

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Mumbai, July 27th, 2009.

Registered Office:

24, Kurla-Kirol Road, P.B.No. 9208,
Chatkopar (West), Mumbai 400 086.



Directors' Report

To The Members,

Your Directors are pleased to present the Eighty-Ninth Annual Report together with the Audited Statements of Accounts of the Company for the financial year ended 31st March, 2009.

FINANCIAL RESULTS

PARTICULARS	2008-09 (Rs. in lacs)	2007-08 (Rs. in lacs)
Sales & Other Income	1737.19	2255.49
	<u>1737.19</u>	<u>2255.49</u>
Profit before Interest, Depreciation & Taxation	536.77	659.63
1. Interest	(0.25)	(1.33)
2. Depreciation	(16.87)	(14.40)
3. Taxation	(86.41)	(77.00)
Profit / (Loss) after Interest, Depreciation & Taxation	433.24	566.90
Balance brought forward from the previous year	959.13	543.35
Amount available for Appropriation	<u>1392.37</u>	<u>1110.25</u>
APPROPRIATIONS:		
Transfer to General Reserve	44.00	57.00
Dividend: Interim	—	40.22
Final	80.45	40.22
Dividend Distribution Tax	13.67	13.68
	<u>138.12</u>	<u>151.12</u>
Balance carried to Balance Sheet	<u>1254.25</u>	<u>959.13</u>

DIVIDEND

Your Directors are pleased to recommend a Dividend of Re 0.20 ps (20%) per Equity Share of Re. 1/- each. The Dividend, if approved by the shareholders at the forthcoming Annual General Meeting would absorb Rs. 80.45 lacs out of the profits of the year. Dividend distribution tax payable by the company amounting to Rs. 13.67 lacs has been appropriated out of profits.

OPERATIONS

During the year under review your Company sales and other income have declined by 23% as compared from Rs. 2,255 lacs in the previous year to Rs. 1,737 lacs in the year under review.

Revenue from Construction Equipment Division have declined by 17% i.e. from Rs. 1,381 lacs to Rs. 1,143 lacs during this financial year and revenue from the Real Estate Division declined by 41% i.e. from Rs. 782 lacs to Rs. 461 lacs.

The Company has booked Profit After Tax (PAT) Rs. 433.24 lacs compared to Rs. 566.90 lacs in the previous year a decrease of almost 24% in PAT.

The Earning Per Share (EPS) of the Company has decreased from Rs. 1.41 to Rs. 1.09 per share (assuming Face Value of Re. 1/- per equity share for comparison), a decrease of 23% compared to the last financial year.

FIXED DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance Sheet.



FINANCE

The Company has invested in various instruments such as listed equity shares, mutual funds & fixed deposits in Banks amounting to Rs. 538 lacs.

SIGNIFICANT EVENTS

The Company had signed a Term Sheet with Urban Kshetra Infrastructure Private Ltd (a wholly owned subsidiary of Urban Infrastructure Venture Capital Fund) proposing to jointly acquire Transferable Development Rights (T.D.R) and develop and construct one building (known as Building no 4) having approximate residential saleable area of about 10,993 Sq mtrs. at our Ghatkopar Project, situated at Kurla-Kirol Road, Vidyavihar, Mumbai. Due to overall slow down in the Realty Sector both the parties mutually decided to cancel the aforesaid Term Sheet. The construction work has already commenced by the Company with its own resources and is going on in full swing. This Project is expected to generate a good revenue for the Company and will strengthen the financial position of the Company.

The Company has envisaged three other Realty Projects but has faced certain roadblocks. In two of these Realty Projects the Company is going slow in view of the current recession in the market.

PREFERENTIAL ISSUE

As approved by the Members at the Company's Extra-Ordinary General Meeting held on January 2nd, 2007, the Company has issued and allotted 3,51,000 equity shares of Rs. 10/- each for cash at a premium of Rs. 70/- per share and 13,50,000 Fully Convertible Warrants (FCWs) of the Company on January 15th, 2007 to Skyline Group on Preferential Basis. During the Financial Year 2007-08, 13,50,000 FCWs were converted into 13,50,000 Equity Shares of Rs. 10/- each at a premium of Rs. 70/- per Equity Share. All the aforesaid Equity Shares have since been listed on the Stock Exchanges.

The funds generated by issue of the said 17,01,000 Equity Shares aggregated to Rs. 13.61 Crores, which were utilized as under;

(i) Deployed in the Ghatkopar Project	: Rs. 12.48 Crores
(ii) Deployed in other Realty Projects	: Rs. 1.13 Crores
Total	: Rs. 13.61 Crores

DIRECTORS

In accordance with Section 256 of the Companies Act, 1956, Mr. Ashok J. Patel, Mr. Anand J. Vashi and Mr. Vinod N. Joshi retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr. Upen M. Doshi has been appointed as an Additional Director on the Board of Directors of the Company in their meeting held on 28th April, 2009 and he holds the office up to the ensuing Annual General Meeting. The Company has received separate Notice under section 257 of the Companies Act, 1956 from shareholder for the candidature of Mr. Upen M. Doshi for the office of the Director of the Company along with the requisite fees.

A brief Resume of the Directors being appointed / re-appointed, as stipulated under clause 49 of the Listing Agreement, are given in the statement of corporate governance.

Mr. Narendra H. Bhatt, a Director of the Company resigned w.e.f. 21st February, 2009 and Mr. N.V. Subramanyam, a Director of the Company resigned w.e.f. 27th July, 2009. The Board of Directors is thankful for all their contribution to the Company during their tenure as Director's of the Company.

During the year under review Mr. Ashok J. Patel a promoter of the Company continued to be the Non-Executive Promoter Chairman of the Company and hence the Company ought to have at least one-half of the Board consisting of Independent Director.

Since Mr. Ashok J. Patel stepped down as the Chairman w.e.f. 20th February, 2009 and continued as a Non-Executive Promoter Director, there is now compliance of the provision of clause 49 I (A) (ii) of the Listing Agreement.

In the Board meeting held on 27th July, 2009 the Audit Committee of the board was also reconstituted so as to comply with clause 49 II (A) (i) of the listing Agreement. The reconstituted Audit Committee comprises of 1) Mr. Anand J. Vashi 2) Mr. Vinod N. Joshi 3) Mr. Upen M. Doshi and 4) Mr. Jaysinh A. Dave.



Directors' Responsibility Statement

Pursuant to provision of section 217 (2AA) of the Companies Act, 1956, the Directors confirm;

- a) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period 1st April, 2008 to 31st March, 2009.
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That they have prepared the annual accounts on a going concern basis.

AUDITORS

M/s Shah & Co, Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting. The Company has received a certificate pursuant to the provisions of Section 224 (1)(B) of the Companies Act, 1956, regarding the eligibility for re-appointment of M/s Shah & Co, your Directors recommend their re-appointment.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance together with a certificate from the Statutory Auditors of the Company confirming the compliance as set out in the annexure forming part of the Annual Report.

REPORT ON ENERGY CONSERVATION AND RESEARCH AND DEVELOPMENT ACTIVITIES

Information relating to energy conservation, foreign exchange earnings and outgo and research and development activities undertaken by the Company in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in the Annexure to the Directors' Report.

DISCLOSURES OF PARTICULARS OF EMPLOYEES

There are no employees getting remuneration exceeding the prescribed limits, under section 217 (2A) of the Companies Act, 1956 as amended, read with the Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENTS

The Board wishes to place on record their appreciation of the devoted services and contribution of their employees. The Directors place on record their appreciation for the continued support of the shareholders of the Company.

**On behalf of the Board of Directors
FOR SKYLINE MILLARS LIMITED**

**Anand J. Vashi
(Chairman)**

Mumbai, July 27th, 2009.



ANNEXURE TO THE DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY.

(a) energy conservation measures taken:

The operations of the Company involve low energy consumption. Adequate measures have, however, been taken to conserve energy.

(b) additional investments and proposals, if any, being implemented for reduction of consumption of energy:

(c) impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

(d) total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the Schedule to the said Rules.

The information required to be furnished as provided under Rule 2 of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for conservation of energy in Form-A does not apply to the Company as it does not fall under the category of Industries listed in Schedule.

B. TECHNOLOGY ABSORPTION.

I Research and Development:

1. Specific areas in which R & D carried out by the company:

2. Benefit derived as a result of the above R & D

3. Future plan of action

4. Expenditure on R & D:

(a) Capital

(b) Recurring

(c) Total

(d) Total R & D expenditure as a percentage of Total Turnover

1. The Company continues its efforts by internal up gradation program on Research & Development.

2. Computers are being used with latest software for design calculation in process engineering, drafting packages, etc.

3. Particulars of Imported Technology (imported during the last five years) - **NOT APPLICABLE**

II Technology, absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.

2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :

(a) Technology imported

(b) Year of import

(c) Has technology been fully absorbed

(d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.



C. FOREIGN EXCHANGE

The particulars of foreign exchange inflow and outflow are given in Schedule 12 forming part of the Financial Statements.

**On behalf of the Board of Directors
FOR SKYLINE MILLARS LIMITED**

**Anand J. Vashi
(Chairman)**

Mumbai, July 27th, 2009.

