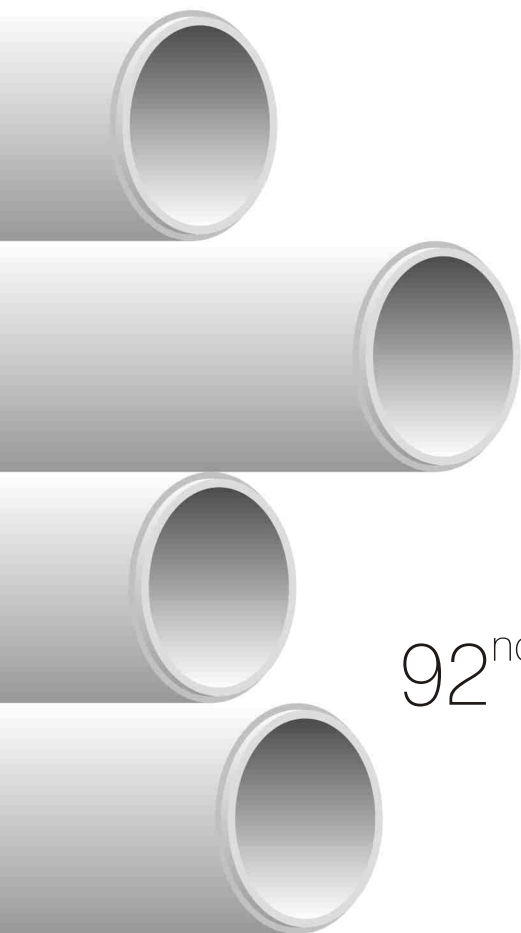




# SKYLINE MILLARS LIMITED

(FORMERLY MILLARS INDIA LIMITED)



92<sup>nd</sup> Annual Report  
2011-2012

**Millars**





## Board of Directors

### Name of the Directors

**Mr. Anand J. Vashi**  
**Mr. Ashok J. Patel**  
**Mr. Vinod N. Joshi**  
**Mr. Tarak A. Patel**  
**Mr. Jatin V. Daisaria**  
**Mr. Upen M. Doshi**  
**Mr. Shilpin K. Tater**  
**Mr. Maulik H. Dave**

### Designation

Independent Director & Chairman  
Non-Executive Director  
Independent Director  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Non-Executive Director  
Non-Executive Director

### Chief Operating Officer

Nilesh M. Kaul

### Realty Head

Prem P. Ramnani

### 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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## NOTICE

NOTICE IS HEREBY GIVEN THAT THE **NINETY SECOND ANNUAL GENERAL MEETING** OF THE MEMBERS OF **SKYLINE MILLARS LIMITED** WILL BE HELD AT **BABASAHEB DAHANUKUR SABHA GRIHA, 6<sup>th</sup> FLOOR, ORICON HOUSE, 12 K. DUBHASH MARG (RAMPART ROW), FORT, MUMBAI 400 001** ON **TUESDAY, 18<sup>th</sup> SEPTEMBER, 2012 AT 11.00 A.M** TO TRANSACT THE FOLLOWING BUSINESS.

### ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2012 with the notes and schedules along with reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2012.
3. To appoint a Director in place of Mr. Upen M. Doshi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Shilpin K. Tater, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Maulik H.Dave, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint the Statutory 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.

**For and on behalf of the Board of Directors**  
**SKYLINE MILLARS LIMITED**  
sd/-

**Anand J. Vashi**  
(Chairman)

Mumbai, August 6, 2012.

### Registered Office:

24, Kurla-Kirol Road, P.B.No. 9208,  
Ghatkopar (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 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 Monday the September 10, 2012 to Tuesday the September 18, 2012 (both days inclusive).
4. The dividend of ₹ 0.20 ps per Equity Share, as recommended by the Board of Directors, if declared at the ensuing 92<sup>nd</sup> Annual General Meeting to be held on Tuesday, September 18, 2012 will be paid at par within 30 days of the said date.
5. The Dividend, after declaration, will be paid to those shareholders whose names stand on the Register of Members on September 18, 2012. 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 for this purpose at the end of business hour on September 7, 2012. The dividend will be paid on and from October 4, 2012.
6. 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.
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 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 Agents 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.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Private Limited.
14. The Ministry of Corporate Affairs (MCA), Government of India, vide its circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to the Members electronically as a part of its 'Green Initiative in Corporate Governance'. In line with the aforesaid circulars, the Company proposes to send documents like the Notice governing the general meetings, financial statements, Directors' Report, Auditors' Report etc. to the e-mail address provided by you to your depositories. Accordingly, members are requested to register their e-mail address and changes therein from time to time, by directly sending the relevant e-mail address alongwith the details of name, address, Folio No. and number of shares held:
  - i) to Link Intime India Private Limited for shares held in physical form and;
  - ii) in respect of shares held in dematerialised form, also provide DP ID / Client ID with the above details and register the same with their respective Depository Participants.



## Directors' Report

Dear Members,

Your Directors take pleasure in presenting the 92<sup>nd</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements along with the Report of the Auditors for the financial year ended March 31, 2012.

### FINANCIAL PERFORMANCE

PARTICULARS	F.Y. 2011-12 (₹ in lacs)	F.Y. 2010-11 (₹ in lacs)
Revenue from Operation (Net)	2,575.15	2,895.98
Other Income	120.33	166.94
<b>Total Revenue</b>	<b>2,695.48</b>	<b>3,062.92</b>
Profit before Finance costs, Depreciation, Exceptional Items and Taxation	439.64	508.29
Less : Finance Costs	(2.88)	—
Less : Depreciation and Amortisation	(14.64)	(16.00)
<b>Profit Before Tax</b>	<b>422.12</b>	<b>492.29</b>
Less : Taxes	(140.76)	(182.00)
<b>Profit After Tax</b>	<b>281.36</b>	<b>310.29</b>
Add : Surplus in Statement of Profit and Loss at the beginning of the year	1,710.43	1,538.95
<b>Amount available for Appropriation</b>	<b>1,991.79</b>	<b>1,849.24</b>
<b>Appropriations:</b>		
Interim Dividend	—	80.45
Proposed Final Dividend	80.45	—
Taxation on Proposed Dividend	13.05	13.36
Transferred to General Reserve	45.00	45.00
<b>Profit &amp; Loss Balance Carried Forward</b>	<b>1,853.29</b>	<b>1,710.43</b>

### FINANCIAL REVIEW

Sales and other income for the year at ₹ 2,695.48 lacs reflected a decrease of 12% over the previous year sales of ₹ 3,062.92 lacs. Revenue from Construction Equipment Division for the year were ₹ 813 lacs, a decrease of 23% over the previous year and revenue from the Real Estate Division were ₹ 1,750 lacs, a decrease of 4% over the previous year.

Profit After Tax decreased by 9% to ₹ 281 lacs from ₹ 310 lacs in the previous year resulting in Earning Per Share of ₹ 0.70 as compared to ₹ 0.77 of the previous year.

The business environment during the year remained challenging due to recessionary conditions in the economy leading to slowdown in demand in the second half of the year. High inflation resulted in increase in input cost and other expenses which adversely impacted the overall profitability.

### DIVIDEND

The Board of Directors is pleased to recommend the payment of dividend of ₹ 0.20 per Equity Share of ₹ 1 each for the financial year ended March 31, 2012, subject to the approval of the Members. The proposed dividend will absorb a sum of ₹ 80.45 lacs.



## **PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any public deposits. There was no amount on account of principal or interest on public deposits was outstanding as on March 31, 2012.

## **INVESTMENTS**

The Company's total investments in listed equity shares, mutual funds and fixed deposits in Banks amounted to ₹1,042 lacs as on March 31, 2012.

During the year under review, Company has agreed to acquire 8,200 sq. mtrs. of land at Karjat out of internal accruals for development of residential project at Karjat, Maharashtra.

## **SIGNIFICANT EVENTS**

### **Manufacturing Division**

#### **a. Umreth, Gujarat :**

The Company's Umreth Plant for pre-cast concrete pipes has started operation from May, 2012. The Umreth plant manufactures pre-cast concrete pipes ranging from 150 mm dia to 600 mm dia. The initial response from the market was encouraging and the unit has a healthy order book.

The Company is in the process of shifting the manufacturing activities of Construction Equipment from Karamsad, Gujarat to the said new facility at Umreth, Gujarat as the lease of industrial plot of land at Karamshad expires in October, 2012. The Company has sold of its three heavy Industrial Sheds on the said lease land. The Company had rented out two of its industrial sheds to another Company and one shed was used for its own manufacturing activities.

#### **b. Wada, Maharashtra :**

The Company has acquired land at village Sapne Khurd, Taluka Wada, District Thane from its internal accruals to manufacture pre-cast concrete pipes of higher diameter ranging from 300 mm dia to 2,600 mm dia and pre-cast concrete manholes ranging from 1,200 mm dia to 1,500 mm dia.

There has been unavoidable delay in implementation of the said project. As on date, the necessary Plant & Machinery has been imported and the installation thereof will be carried out at the Industrial undertaking. The Company is working towards commencing commercial production during the financial year 2012-13.

### **Real Estate Division**

#### **a. Karjat Residential Project, Maharashtra :**

The Company had acquired land generating 8,044 sq. mtrs. of F.S.I area for ₹418 lacs in Karjat (outskirts of Mumbai) and launched a residential project in January, 2011. The 1<sup>st</sup> phase thereof has 160 units of 1 BHK and 2 BHK with all modern facilities mainly to cater the middle class urban population living in and around Mumbai. The initial response thereof is encouraging and 51 units out of 58 units opened for booking are already booked.

The Company is also in the process of acquiring additional piece and parcel of land admeasuring 3,705 sq. mtrs. adjacent to the existing Karjat project, considering at the overwhelming response received. The Company has also acquired piece and parcel of land admeasuring about 8,200 sq. mtrs. from internal accruals for ₹461 lacs. Statutory approvals for the project are in process.

#### **b. Ghatkopar Residential Project :**

The Company as a developer is constructing a residential building (known as Building no 4) with two wings having approximate F.S.I area of about 7,800 sq. mtrs. at our Ghatkopar Project situate at Kurla Kirol Road, Vidyavihar, Mumbai. As on date, the building is nearing completion and majority of flats have been booked.





## **DIRECTORS**

In accordance with Section 256 of the Companies Act, 1956, Mr. Upen M. Doshi, Mr. Shilpin K. Tater and Mr. Maulik H. Dave retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re- appointment.

Brief profiles of the above Directors are given under the Corporate Governance Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief, and according to the information and explanations provided to them, the Directors make the following statement pursuant to Section 217(2AA) of the Companies Act, 1956:

1. that in the preparation of the annual accounts for the year ended March 31, 2012, the applicable accounting standards have been followed along with proper explanations in case of material departures;
2. that such accounting policies as mentioned in Note 1 of Notes to Financial Statements have been applied consistently and judgments and estimates that are made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the said financial year ended March 31, 2012 and of the Profit & Loss Account of the Company for that period;
3. that proper and sufficient care has been taken 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;
4. that annual accounts for the year ended March 31, 2012 has been prepared on a 'going concern' basis.

## **CORPORATE GOVERNANCE**

Your Company believes in transparency and has always maintained a very high level of Corporate Governance. As required by Clause 49 of the Listing Agreement, a detailed Corporate Governance Report is given as an Annexure to this Report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The certificate from a Statutory Auditors confirming compliance of the Corporate Governance requirements by the Company is attached to the Corporate Governance Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed review of operations, performance and future outlook of the Company is given separately under the head Management Discussion and Analysis Report.

## **AUDITORS**

M/s. Shah & Co, Chartered Accountants, retires as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the retiring Auditors that their appointment as Statutory Auditors, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Audit Committee and the Board recommends the re-appointment of M/s. Shah & Co, Chartered Accountants, as Statutory Auditors for the financial year ending March 31, 2013.

Members are requested to consider and re-appoint M/s. Shah & Co, Chartered Accountants, as the Statutory Auditors of the Company for the financial year ending March 31, 2013.





### **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.

### **ACKNOWLEDGMENTS**

The Board places on record its sincere appreciation for the dedicated services rendered by employees at all levels. Your Directors would like to express their grateful appreciation for the assistance and support extended by all customers, government authorities, Bank of Maharashtra, shareholders, suppliers and other business associates.

**For and on behalf of the Board of Directors  
SKYLINE MILLARS LIMITED**

**sd/-  
Anand J. Vashi  
(Chairman)**

Mumbai, August 6, 2012.



## **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**

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

### **B. TECHNOLOGY ABSORPTION**

#### **Research and Development**

1. The Company continues its efforts by internal upgradation 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**

### **C. FOREIGN EXCHANGE**

The particulars of foreign exchange inflow and outflow are given in Note 38 of Notes to Financial Statements.

**For and on behalf of the Board of Directors**  
**SKYLINE MILLARS LIMITED**  
sd/-  
**Anand J. Vashi**  
(Chairman)

Mumbai, August 6, 2012.