



SKY INDUSTRIES LIMITED

25th

Annual Report 2013 - 2014



(CIN: L17120MH1989PLC052645)

25th Annual Report 2013-14

BOARD OF DIRECTORS

NAME	DESIGNATION	DIN
Mr. Nitin Kishore Motani	-Chairman	: 00002903
Mr. Shailesh S. Shah	-Managing Director	: 00002908
Mr. Sharad S. Shah	-Wholetime Director	: 00002907
Mr. Saurabh K. Motani	-Wholetime Director	: 00003178
Mr. Vaibhav Jai Desai	-Whole time Director	: 06673723
Mr. Vijay Choraria	-Director	: 00017670
Mr. Subramanian Sharma	-Director	: 00219614
Mr. Narendra P Mahajani	-Director	: 01048676

AUDITORS

Thanawala & Co.
Chartered Accountants

BANKERS

The Oriental Bank of Commerce
The Karur Vysya Bank Ltd.
The South Indian Bank Ltd.
The Dombivali Nagari Sahakari Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S Marg, Bhandup (West),
Mumbai – 400 078.

REGISTERED OFFICE

C-58, TTC Industrial Area,
Thane Belapur Road, Pawane, Navi
Mumbai- 400705
Tel. No.: 43332500
Fax No. : 43332550 email:
sales@skgroup.com

CORPORATE OFFICE

201, Orbit Plaza, 2nd Floor,
New Prabhadevi Road,
Prabhadevi, Mumbai 400 025
Tel : 022 43332500

**NOTICE**

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of Sky Industries Limited (CIN: L17120MH1989PLC052645) will be held at Abbott Hotels Private Limited, Chandragupt Hall, Sector - 2, Vashi, Navi Mumbai - 400 703 on 27th September, 2014 at 11.00 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2014, and the Balance Sheet as at that date and the Reports of the Board, Directors and Auditors thereon.
2. **Appointment of Mr. Narendra Mahajani as an Independent Director of the Company.**

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

“RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Narendra Mahajani (DIN 01048676), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company with effect from September 27, 2014 up to September 26, 2019.”

3. Appointment of Auditors

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

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Thanawala & Co., Chartered Accountants (Firm Registration No.110948W), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion



of this Annual General Meeting (AGM) till the conclusion of the Twenty – seventh AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. Appointment of Mr. Subramanian Sharma as an Independent Director of the Company.

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

“RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Subramanian Sharma (DIN 00078974), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company with effect from September 27, 2014 up to September 26, 2019.”

5. Appointment of Mr. Vijay Choraria as an Independent Director of the Company.

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

“RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Vijay Choraria (DIN 00021446), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent



Director of the Company with effect from September 27, 2014 up to September 26, 2019.”

6. Loans and Guarantees to Subsidiaries:

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

“RESOLVED THAT pursuant to section 186 of the Companies Act, 2013 the Company be and hereby authorize the Board to give Corporate Guarantee of Rs. 126 lac to Sky Hemmay Private Limited, Subsidiary Company for their working capital limits and to do all such acts and deeds as incidental and deem fit and proper.

RESOLVED FURTHER THAT Mr Shailesh Shah-Managing Director and Mr. Nitin Motani be and hereby authorized jointly and severally to take all such decisions and to do all such acts as may be necessary for the above purpose.

7. Re-appointment Mr Vaibhav Desai as the Wholetime Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 2(78), 2(94) and 197 read together with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its consent and approval to the re-appointment of Mr. Vaibhav Desai as Whole Time Director of the Company for a period of three years with effect from 1st October, 2014 on terms and conditions including remuneration and perquisites as under:

The Director shall report to the Board and shall be responsible for all his actions to the Board. It is hereby expressly agreed and declared that nothing herein contained shall vest or shall be deemed to be intended to vest in the Director, the management of the whole or substantially the whole of the affairs of the Company.

1. **Salary:** Rs 12,00,000 per annum



2. **Perquisites:** The Wholetime Director shall be entitled to the following perquisites provided that the total value of the perquisites shall be restricted to an amount equal to the annual salary i.e. Rs. 12,00,000/- per annum or actuals, whichever is lower.
 - 2.1 Provision of Car for use in Company's business and telephone at residence will not be considered as Perquisites. Telephone at residence reimbursed for rental and business calls only.
 - 2.2 Reimbursement of actual expenses for books and periodicals purchased for purposes of carrying-on his duties and reimbursement of entertainment expenses actually and properly incurred in the course of the Company's business.
 - 2.3 The Director shall not be paid any sitting fees for attending the meetings of the Board or any committee thereof.
3. **Encashment of leave:** As per company's rules, Encashment of leave, if any, in accordance with the rules of the Company shall be allowed only at the time of retirement or at the end of tenure as the case may be and it will not be included in the computation of ceiling for perquisites.
4. **Gratuity & Provident Fund:** Payable in accordance with as per applicable law.

Membership of the Employees' Provident Fund of the company to which the company will contribute at such percentage of salary as may be applicable, from time to time, to the employees. The appointee will be governed by the provident fund rules of the company.

RESOLVED FURTHER that in the event of loss or inadequacy of profits in any financial year during the period of Mr. Vaibhav Desai's appointment, he will be paid or provided the salary, the allowances, and the perquisites as set out in the foregoing part of this resolution as the 'minimum remuneration' notwithstanding the fact that such remuneration is in excess of the limits set-out in Sections 198 and 309 of the Companies Act, 1956 or in Section II of Part II of Schedule XIII to the Companies Act, 1956 and necessary approvals



will be sought from Central Government.”

RESOLVED FURTHER that an agreement, covering the above terms, be executed with Mr, Vaibhav Desai under the Common Seal of the Company to be affixed thereto in accordance with the Articles of Association of the Company

RESOLVED FURTHER that The Director (hereinafter called Director) shall carry out such functions, exercise such powers and perform such duties as the Board of Directors of the Company (hereinafter called “The Board”) shall from time to time determine and entrust to him. Subject to the superintendence, control and direction of the Board, the Director shall have the general control and be responsible for the day to day business of the Company with powers to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things which in the ordinary course of such business he may consider necessary or proper in the best interests of the Company.

AND RESOLVED FURTHER THAT Mr. Shailesh Shah – Managing Director and Mr. Nitin Motani - Director be and are hereby authorised severally as required under section 192 of the Companies Act, 1956 to file the necessary returns with the Registrar of Companies and other authorities, if any, and take further steps as may be necessary and proper regarding the appointment of Mr. Vaibhav Desai as aforesaid and ratify this resolution at the next Board Meeting.”

For and on behalf of the Board of Directors

Date: 11.08.2014

Place: Mumbai

Nitin K Motani

Chairman



Notes:

1. A member entitled to attend and vote at the meeting and is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member. Proxies in order to be effective must be lodged with the Company not less than forty eight hours before the time of the meeting.
2. As per section 91 of the Companies Act, 2013 , the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 24th September, 2014 to Friday 26th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
3. In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002 read with circular No. D&CC/FITTC/CIR-18/2003 dated February 12, 2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has already appointed M/s. Link Intime India Pvt Limited at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078.
4. Members are requested to notify immediately any change in their address :
 - a. To their Depository Participants in respect of their electronic share accounts , and
 - b. to the share transfer agent M/s. Link Intime India Pvt Limited at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078.
5. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall.
6. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Board of Directors of the Company at least 7 days before the



date of the Meeting so that the information required may be made available at the Meeting.

7. Members are requested to bring the copy of the Annual Report sent to them.
8. Information required to be furnished under the Listing Agreement.

As required under the listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed/reappointed are given below:

Profile of the Directors liable to retire by rotation:

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed / reappointed are given below.

Name : Mr. Narendra Mahajani

Date of Birth : 3rd August 1968

Qualification : B.Com; FCA; FICWA.

Directorship : Mr. Narendra Mahajani is a Director in several Reputed Companies.

Expertise : A Chartered Accountant and a Cost Accountant by qualification, Mr. Narendra Mahajani has over 20 years of rich experience and has been actively involved in the field of finance and Treasury. He is on the field of several reputed companies.

Name : Mr. Subramanian Sharma

Date of Birth : 30th January 1966

Qualification : B.Com; ACA.

Directorship : Mr. Subramanian Sharma is a Director in several reputed companies.

Expertise : A Chartered Accountant by degree, Mr. Sharma brings to the table two decades of solid experience in a number of fields. Be they matters related to corporate finance or management of documentary credits or even those associated with international trade finance, his expertise has earned him an outstanding name in business.



Name : Mr.Vijay K Choraria
Date of Birth : 10th August 1964
Qualification : CA, BGL
Directorship : Mr. Vijay K Choraria is a Director in several reputed Companies.
Expertise : A Chartered Accountant and Bachelor in General Law by qualification, Mr. Vijay Choraria has over 25 years of experience and has been actively involved in the real estate and financial markets. He is on the board of several reputed companies.

Name : Mr. Vaibhav Jay Desai
Date of Birth : 22nd December 1971
Qualification : B.E(Mech); DBM;DIM.
Directorship : Mr. Vaibhav Desai is not a Director in any other company.
Expertise : An Engineer and a Diploma Holder in Business and industrial Management, Mr. Vaibhav Desai has rich and vast experience of around 22 years in Manufacture of man made Textile Products and Narrow woven products.

E-VOTING

9. In terms of Sections 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is providing its members the facility to exercise their right to vote at the meeting by electronic means on any or all of the businesses specified in the accompanying Notice. Necessary arrangements have been made by the Company with CDSL to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the General Meeting.

The procedure and instructions for voting through electronic means are as follows:-

- a. Open your web browser during the voting period and log on to the e-