

**SKYLINE INDIA LIMITED**  
**REGD. OFFICE: 1E/11 JHANDEWALAN EXTN NEW DELHI**

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**NOTICE**

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at IE/11 Jhandewalan Extn , New Delhi-110005 on Tuesday the 2<sup>th</sup> day of July, 2013 at 11a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31.03.13 along with Profit and Loss Account for the year ended on that date together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Rajiv Gupta, who retires by rotation at this meeting, and being eligible, offers himself for re-appointment.
3. To reappoint M/s S C Garg & Associates, Chartered Accountants, Delhi, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

1. To appoint Mr. Shambhu Kumar Das as the additional director:

To consider and if thought fit to pass with or without modifications the following resolution as Ordinary resolution: -

**“RESOLVED THAT** pursuant to provisions of Sections 149, 152, 160 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) subject to such other requisite consents, approvals and permissions if any required, approval of the Mr Shambhu Kumar Das who was appointed as the additional director with effect from 15<sup>th</sup> February 2013 by the board pursuant to the section 161 of the act and who hold the office upto the date of ensuing annual general meeting be and is hereby appointed as the non-executive director of the

company, whose office is liable to the determination by retirement of directors by rotation.”

**By Order of the Board  
For SKYLINE INDIA LIMITED**

Place: New Delhi  
Date: 29.05.2013

**RAJESH KUMAR SANGHI  
Director**

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote and on a poll to vote instead of himself and such a proxy need not be a member of the Company. A proxy form is attached. Proxy form duly filled should reach the Company at least 48 hours before the commencement of meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed on 1<sup>th</sup> & 2<sup>th</sup> July 2013 for the purpose of Annual General Meeting of the Company.

**SKYLINE INDIA LIMITED**  
**CIN: L51909DL1996PLC075875**  
**REGD. OFFICE: 1E/11 JHANDEWALAN EXTN NEW DELHI**

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**Director's Report**

To  
The Shareholders  
**Skyline india limited**

Your Directors have pleasure in presenting their report and the Statement of Accounts of the company for the period ended on 31<sup>st</sup> March 2013:

**FINANCIAL RESULT**

	<b>As at 31<sup>st</sup> March 2013</b>	<b>As at 31<sup>st</sup> March 2012</b>
<b>Profit (Loss) before Tax</b>	20,24,805	17,07,805
Provision for Tax	4,14,200	3,62,000
Deferred Tax Saving/ (Expense)	22,91,924	(15,10,676)
<b>Profit (Loss) after Tax</b>	<b>39,41, 884</b>	<b>1,60,551</b>

**OPERATIONS**

During the year under review ,the company has achieved a turnover of Rs 28,14,15,566 ( previous year 25,85,64,355). Your Director are very hopeful to further accelerate the future growth

**DIVIDEND**

Keeping in view the Future Growth Prospectus and investment involved therein Your Director Does not recommend any Dividend to declare.

**DIRECTORS**

Rajiv Gupta, Director of the Company, who is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for reappointment.

Mr. shambhu Kumar Das was appointed as the additional director as on 15/02/2013

### **CORPORATE GOVERNANCE**

Clause 49 of the Listing Agreement relating to Corporate Governance is applicable to the Company.

### **AUDITOR'S REPORT**

The Auditor's Report on the accounts for the year ended 31<sup>st</sup> March 2013 is self explanatory and need no further clarification from your Directors.

### **PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956.**

The Company does not have employees to whom the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 apply.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

In the absence of any manufacturing activity, no details have been given as required under Section 217 (1) (e) of the Companies Act, 1956 and the Rules framed there under.

### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the period under review there has been no inflow or outflow of Foreign Exchange.

### **FIXED DEPOSITS**

During the period under review, the Company has not accepted any Fixed deposit from Public in terms of the Companies (Acceptance of Deposits) Rules, 1975.

### **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of the provisions of Section 217 (2AA) of the Companies Act, 1956 this is to state that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- (ii) The directors had selected such accounting policies and applied them consistently and made judgment and estimates that 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 financial year and of the profit or loss of the Company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared the annual accounts on a going concern basis.

### **ACKNOWLEDGEMENTS**

The Board takes this opportunity to place on record their sincere appreciation for all round cooperation and support from various stake holders.

Place: New Delhi  
Date: 29.05.2013

**By Order of the Board  
For SKYLINE INDIA LIMITED**

**RAJESH KUMAR SANGHI  
Director**

## CORPORATE GOVERNANCE REPORT

In compliance with Corporate Governance requirement as stipulated in clause 49 of the Listing Agreement with the stock Exchange, the Company has been incorporating a separate section on Corporate Governance in its Annual Report. The shareholders and investors of the Company would have found the information informative and useful.

**Company's policies on the Corporate governance and due compliance report on specific areas** wherever applicable for the year ended 31<sup>st</sup> March 2013 are given hereunder divided into the following area :-

### **1. Company's philosophy on Corporate Governance:-**

The Company believes that the Corporate Governance provides a basis by which the right and responsibilities amongst different participants in the Organization, such as the Board, Employees, Customer, Shareholders and the stakeholders, are transparently known.

By doing so, it helps to ensure that the company's objectives are well defined and performance against those objectives adequately measured and monitored.

### **2. Board of Directors**

None of the directors holds directorships that exceed the permissible number of companies under the applicable provisions. The Boards of directors of five companies, consisting of three Non-executive directors who account for 80% of the Boards strength as against minimum requirement of fifty percent as per the listing agreement. The Non-executive Directors are eminent professional, drawn from amongst persons with experience in business, industry, finance, law & public enterprises.

The Board met 7 (seven) times for transaction business during the financial year 2012-13 on 08/05/2012, 13/08/2012, 26/09/2012, 12/11/2012, 11/02/2013, 15/02/2013, 04/03/2013. The list of Board of Directors and their attendance at the Board Meeting held during the year & last Annual General Meeting is as under:

Name of Directors	Positions	Board Meeting held during the period of directorship	Board meeting attended	Whether attended last AGM	Directorships held in other public limited companies incorporated in India
Rajesh K. Sanghi	Manager Director	7	7	Yes	-Skyline Leasing Ltd.

					-Supreme Motors Ltd.
Rajeev Gupta	Non-Ex Director	7	7	Yes	Nil
G.S. Saluja	Non-Ex Director	7	7	Yes	Nil

1. None of the directors has any business relationship with the company except Mr. Rajesh Sanghi.
2. None of the directors received any loans and advances from the company during the year.
3. The company did not have any pecuniary relationship or transaction with non-executive directors during 2012-2013.
4. The gap between two board meetings did not exceed four months.

### 3. Director's Remuneration:

None of the directors of the company are drawing any salary of other benefits from the company, no sitting fee for attending the board meeting. The company pays Rs.nil for every board meeting to all the non-executive directors. No sitting fee is paid to the managing director.

### 4. Audit Committee

The audit committee has adequate powers and detailed terms of reference to play an effective role as required under the provision of Companies Act, 1956 and clause 49 of the listing agreement. The Audit Committee constitutes of Shri Rajesh K. Sanghi, Managing Director, Shri Rajeev Gupta and Shri G S Saluja, Directors of the Company. As per terms of reference to the committee, it looks into various aspects of accounting procedures, internal controls and other matters which it deems fit and necessary. The Audit Committee meeting were held on 08/05/2012, 13/08/2012, 26/09/2012, 12/11/2012, 11/02/2013, 15/02/2013, 04/03/2013. The attendance of each Audit Committee member is a under:-

Name of the Audit Committee member	No.of meeting attended
<b>Rajesh K. Sanghi</b>	7
<b>Rajeev Gupta</b>	7
<b>G S Saluja</b>	7

The role and terms of reference of the Audit Committee covers the matter specified for Audit Committee under Clause 49 of Listing Agreement as well as in Section 292 A of the Companies Act.1956.

### 5. Committee for Investors Grievance & Share Transfer

Shri Rajesh K. Sanghi, Meeting Director and Shri Rajeev Gupta, Director are the

member

of this committee. After compulsory demat for trading of share listed on the stock exchanges, the company's shares were not made available for dematerializations as there are huge amount of calls in arrear from the public. During the year no investor's complaints has been received & there are no pending complaints. Further, no shares are pending for transfer with the Company.

## 6. Compliance Certificate

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

## 7. General Body Meetings:-

The details of General Meeting held in last three years are as under:-

AGM	Days	Date	Time	Venue
	Saturday	29.09.2012	01:00P.M	1E/11,Jhandewalan Extn. New Delhi - 110055
	Friday	30.09.2011	12:30P.M	1E/11,Jhandewalan Extn. New Delhi - 110055
	Thursday	30/09/2010	11.00 A.M.	1E/11,Jhandewalan Extn. New Delhi - 110055

(b) Whether special resolution was put through postal ballot last year? No

(c) Are special resolutions proposed to be put through postal ballot this year? No

## 8. Shareholders' Information:

### Financial calendar :

Fiscal year ending : 31<sup>st</sup> March, 2013

Annual General Meeting : 02<sup>nd</sup> July, 2013

### Day and Venue of the AGM :

The Annual general meeting of the company will be held on 02<sup>nd</sup> July, 2013 at

1E/11, Jhandewalan Extn. New Delhi – 110055

**Key Financial reporting dates Unaudited:**

First quarter ending 30 <sup>th</sup> June	:	within one month from the end of the quarter
Second quarter ending 30 <sup>th</sup> September	:	within one month from the end of the quarter
Limited Review Report of auditors For half year results	:	within one month from the end of the quarter
Third quarter ending 31 <sup>st</sup> December	:	within one month from the end of the quarter
Fourth quarter ending 31 <sup>st</sup> March	:	within one month from the end of the quarter, if unaudited and within 3 month from the end of the quarter, if audited.

**Disclosures and means of communications:**

- (i) During the year, there was no transaction of material nature with the directors their relatives that had potential conflict with the interest to the company.
- (ii) There were no instances of non compliance on any matter related to capital Markets during the last three years.
- (iii) Quarterly un-audited result of the Company is announced within one month of the close of every quarter and is published as per listing requirement. Management Discussion & Analysis report forms a part of the Annual report.
- (iv) Quarterly unaudited results are regularly published

**Book closure:**

Books of account closed from Monday, the 1st July, 2013 and Tuesday, the 2nd July, 2013 (both days inclusive) for the purpose of 17th Annual General Meeting,

**Listing on stock Exchange:**

The particulars of stock exchanges where equity shares of the company are listed are as under:

1. Madras stock Exchange Ltd.  
P.B No.183.  
Chennai – 600001

(2) The Delhi Exchange  
Association Ltd.DSE House  
3/1 Asaf Ali Road  
New delhi - 110002

(3) Jaipur Stock Exchange  
Stock Exchange Building  
J.L.N marg. Malviya Nagar  
Jaipur – 302017

(4) Ahmedabad Stock Exchange  
Kamdhenu Complex  
Sahajanand collage, panjarapole  
Ahemedabad – 380015

(5) Ludhiana Stock Ltd.  
Feroze Gandhi Market  
Ludhiana – 141001

In respect of stock Exchange Stated 1,3,4,&5 Above, the company applied for delisting of shares from these stock exchanges. Delhi stock Exchange being the regional stock exchange of the company. Although the company has company has compled all the procedures for delisting from the other stock exchange, a confirmation about the same from the stock exchanges is awaited.

#### **Distribution of Shareholding:**

The shareholding distribution of equity shares of face value of Rs.10/- each as on 31<sup>st</sup> March,2013 is given blow:-

S.No.	No.of equiry shares held	No. of shares	Percentage of shareholding
1	Upto 5000	3,05,060	5.995%
2	5001 to 10000	35,800	0.704%
3	10001 to 20000	31,900	0.627%
4	20001 to 30000	8,000	0.157%
5	30001 to 40000	24,000	0.472%
6	40001 to 50000		0%
7	50001 to 100000	30,000	0.590%
8	100001 to above	46,53,740	91.456%
9	TOTAL	5,088,500	100.00

#### **Share holding pattern as on 31<sup>st</sup> March,2013:-**

S.No.	Category	No. of Shares helds	% of share holding
1	Promoters	2,250,136	44.22%
2	Resident Individual	1,404,934	27.61%
3	Private Corporate Bodies	933,230	18.34%
4	Mutual Funds	0	0.00%
5	Govt.Sponserd Financial inst.	500,200	9.83%
	TOTAL	5,088,500	100%

**Plan Location:**

1E/11 Swami Ram Tirath Nagar  
Jhandewalan Extn.  
New Delhi – 110055

**Address for  
Correspondence:**

Sh. Rajesh K.  
Sanghi  
Managing  
Director  
1E/11 Swami Ram  
Tirath Nagar  
Jhandewalan Extn.  
New Delhi – 110055

The above report has been place before the Board at its meeting held on 30<sup>th</sup> May 2013  
and the same was approved

For and on behalf on the board of Directors,

Place: New Delhi  
Dated: 30/05/2013

Sd/-  
(Rajesh K.Sanghi)  
Chairman

**CORPORATE GOVERNANCE REPORT OF M/S SKYLINE INDIA LIMITED  
FOR THE QUARTER ENDING 31<sup>ST</sup> MARCH, 2013**

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>I Board of Directors</b>	49 I	Yes	
(A) Composition of Board	49(IA)	Yes	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
D) Code of Conduct	(49 (ID)	Yes	
<b>II. Audit Committee</b>	49 (II)	Yes	
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee		Yes	
(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
<b>III. Subsidiary Companies</b>	49 (III)	N.A.	
<b>IV. Disclosures</b>	49 (IV)	Yes	
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Board Disclosures	49 (IV B)	Yes	
(C) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV C)	N.A.	
(D) Remuneration of Directors	49 (IV D)	N.A.	
(E) Management	49 (IV E)	Yes	
(F) Shareholders	49 (IV F)	Yes	
<b>V. CEO/CFO Certification</b>	49 (V)	Yes	
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	
<b>VII. Compliance</b>	49 (VII)	Yes	

For and on behalf on the board of Directors,

Place: New Delhi  
Dated: 30/05/2013

Sd/-  
(Rajesh K.Sanghi)  
Chairman



# SHWETA GUPTA & ASSOCIATES

COMPANY SECRETARIES

Add:- B4A/17, IInd Floor, Rana Pratap Bagh, New Delhi-110007

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## Compliance Certificate

CIN: L51909DL1996PLC075875

Authorized Capital: Rs. 55,000,000

To  
The Members  
**M/s SKYLINE INDIA LIMITED**  
1E/11, Swami Ram Tirath Nagar,  
Jhandewalan Extension  
New Delhi-1100055

I have examined the registers, records, books and papers of **M/s Skyline India Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on **31st March, 2013** (Financial Year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept & maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act & the rules made thereunder & all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities during the financial year.
3. The Company is a Public Limited Company, comments is not required.
4. The Board of Directors duly met **07 (Seven) times** on **08/05/2012, 13/08/2012, 26/09/2012, 12/11/2012, 11/02/2013, 15/02/2013** and **04/03/2013** in respect of which proper notice were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minute Book maintained for the purpose.
5. The Company has closed its Register of Members during the Financial Year and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on **31st March, 2012** was held on **29.09.2012** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minute Book maintained for the purpose.



7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its director's and/or persons or firms or companies referred to in Section 295 of the Act.
9. As per the information provided, the Company has not entered into any contracts as per the provisions of Section 297 of the Companies Act, 1956.
10. The Company has not required making any entry in respect of contracts entered under Section 297 of the Companies Act, 1956 in the Register maintained under Section 301 of the Act.
11. As per the information and details provided for review there were no instances falling within the purview of Section 314 of the Act.
12. There was no issue of duplicate share certificates by the Company during the year under review.
13. The Company has:
  - (i) not allotted any security and no security has been lodged thereof for transfer/transmission or any other purpose during the financial year;
  - (ii) not deposited any amount in a separate bank account and has not posted warrants to any member of the Company, as no dividend was declared during the financial year.
  - (iii) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted during the financial year. Mr. Shambhu Kumar Das was appointed as Addition Director as on 15/02/2013. No any Director was appointed as alternate Director/Director in casual vacancy.
15. No director was appointed as a Managing Director during the year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. As per the information provided the Company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the provisions of the Act.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company does not have preference shares/debentures. Hence relevant provisions for redemption of preference shares/debentures are not applicable.



22. There were no transactions necessitating the company to keep in abeyance the right to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowing during the financial year under review.
25. The Company has not made any loans and investments or given guarantees or provided securities to other bodies corporate and has consequently made no entries in the register maintained for the purpose.
26. During the year under scrutiny, the Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one State to another.
27. During the year under scrutiny, the Company has not altered the provisions of the memorandum with respect to the objects of the Company.
28. During the year under scrutiny, the Company has not altered the provisions of the memorandum with respect to Name of the Company.
29. During the year under scrutiny, the Company has not altered the provisions of the memorandum with respect to Share capital of the Company.
30. The Company has not altered its articles of association during the financial year.
31. As informed by the Company, there were no prosecution initiated against or show cause notices received by the Company during the financial year for offences under the Act.
32. The Company has not received any security money from its employees during the financial year under certification there is no requirement to deposit any amounts as per the provisions of section 417(1) of the Act..
33. The Company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Place: New Delhi  
Date: 30/05/2013

For SHWETA GUPTA & ASSOCIATES  
COMPANY SECRETARIES



(SHWETA GUPTA)  
C.P NO. : 11208

## ANNEXURE A

### REGISTERS MAINTAINED BY THE COMPANY

S.No.	Particulars	Relevant Section
1	Minutes Book of the meetings of the Board of Directors of the Company	193 & 196
2	Minutes Book of General Body Meetings of the Members of the Company	
3	Copies of Annual Returns	159
4	Register of Members	150
5.	Register of Share Transfer	
6	Register of Particulars of Directors, Managing Director, Manager and Secretary	303
7	Register of contracts, companies and firms in which Directors are interested	301

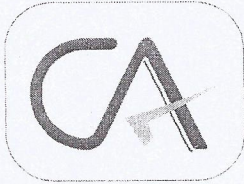
## ANNEXURE B

Forms and Returns has been filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2013.

S. No	Particulars of Forms/ Returns Filed	Date of Filing	Whether filed within Prescribed Time	Additional Fees Paid
1.	Form 32	04/09/2012	YES	N.A.
2.	Form 32	04/09/2012	YES	N.A.
3.	Form 32	23/02/2013	YES	N.A.







## S.C. GARG & ASSOCIATES

*Chartered Accountants*

**Off:** 171-172, Rajendra Bhawan, Rajendra Place, New Delhi-08

**Ph.-**25814009, **Web:**casubhash.com, **E-mail:** [scg171@gmail.com](mailto:scg171@gmail.com)

### AUDITORS' REPORT

To the Members of,  
Skyline India Limited

#### *Report on the Financial Statements*

We have audited the accompanying financial statements of Skyline India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant



to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors,



none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

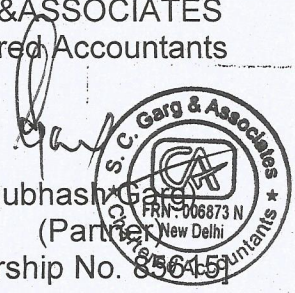
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: New Delhi  
Dated: 24.05.2013

For S C GARG & ASSOCIATES  
Chartered Accountants

(Subhash Garg)  
(Partner, New Delhi)

[Membership No. 85645]





## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 4 & 5 of our report to the Members of SKYLINE INDIA LIMITED on the Accounts for the period ended on 31<sup>st</sup> March, 2013)

- I.           a) The Company is maintaining proper records showing full particulars of fixed assets including quantities details and situation of fixed assets.
- b) As explained to us , Fixed assets were physically verified by the management at regular intervals and no discrepancies were found on such verification.
- c) No Fixed Asset has been sold during the year.
- II.           a) According to the Information and explanation provided to us , the Company is in service sector & does not have any Inventory at any point of time during the year , Further reporting under this para is not applicable
- III.          a) The Company has not granted interest free unsecured loans to the parties listed in the register maintained under section 301 of the Companies Act, 1956. Hence further reporting under this clause is not applicable.
- (B)a)     During the year under review , The Company has neither taken nor advance any unsecured loans from the parties listed in the register maintained under section 301 of the Companies Act, 1956 , hence further reporting under this clause is not applicable
- IV) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of the business with regards to the purchase of fixed assets.
- V)           a) The company has maintained register in pursuance of section 301 of the Act and all the transaction that needs to be entered have been entered.
- b) In our opinion and according to the information and explanation given to us , the transaction made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respects of any party during the year have been made at price which are reasonable having regard to prevailing market price at the relevant time.



- VI) The Company has not accepted any deposit in terms of Section 58A of Companies Act, 1956.
- VII) The Company has adequate internal audit system commensurate with its size and nature of business.
- VIII) Maintenance of cost records under section 209(1) (d) of the companies Act 1956 are not prescribed by the central Govt.
- IX) a) As explained to us , the company is generally regular in depositing undisputed Statutory Dues applicable to it .Provisions of Provident Fund and Employee's State Insurance are not applicable to the company.
- b) According to information and explanations given to us and the records of the company examined by us, no undisputed outstanding dues of Income Tax, Wealth Tax, Sales Tax, Custom Duty, and Excise Duty were outstanding as at 31.3.2013 for a period more than six months from the date, they became payable.
- c) According to the Information and explanation given to us and the records of the company examined by us, there are no dues of sales tax, income tax, custom, wealth tax, excise duty, cess, which has not been deposited on account of any dispute
- X) The Company does not have any accumulated losses as on the date of Balance Sheet , hence further reporting under this clause is not applicable
- XI) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank etc
- XII) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, so the question of maintenance of records does not arise.
- XIII) In our opinion, the company is not chit fund or nidhi /mutual benefit fund society. Hence this clause is not applicable to the Company.
- XIV) In our opinion, the Company is not dealing in or trading in shares, securities, debentures, and other investments. According the provisions of clause 4(xiv) of the Companies (Auditor Report) Order, 2003 are not applicable to the company.



XV) According to the Information and Explanation Given to us, The company has not extended any guarantee during the year for Loans taken by others from Bank or Financial Institutions

XVI) According to the Information and Explanation Given to us ,The Term Loans were utilized for the purpose for which the loans were obtained .

XVII) According to the information and explanation given to us and on an overall examination of the Balance sheet of the Company, we report that no funds raised on Short term basis have been used for Long term Investment.

XVIII) There were no preferential allotment of shares to parties and companies covered in the register maintained U/S 301 of the Act, hence this clause is not applicable.

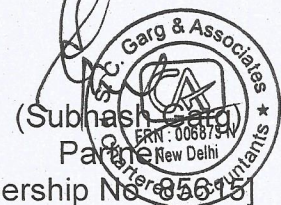
XIX) As the company has not issued any debenture this clause is not applicable.

XX) The company has not raised any money from the public issues hence this clause is not applicable.

XXI) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place: New Delhi  
Dated: 24.05.2013

For S C GARG & ASSOCIATES  
Chartered Accountants



[Membership No. 5675]



**SKYLINE INDIA LIMITED**

**BALANCE SHEET AS AT 31st MARCH, 2013**

PARTICULARS	NOTES	As at 31st	As at 31st
		March, 2013	March, 2012
		(Rs.)	(Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's Funds</b>			
Share Capital	2	40,426,969	40,426,969
Reserves and Surplus	3	4,668,172	726,288
<b>2. Non-Current Liabilities</b>			
Long Term Borrowings	4	18,211,771	46,303,178
Deferred Tax Liabilities (Net)	5	4,453,307	6,745,231
<b>3. Current Liabilities</b>			
Trade Payables	6	12,581,831	9,313,724
Other Current Liabilities	7	41,457,314	45,830,047
Short Term Provisions	8	413,030	362,000
<b>Total</b>		<b>122,212,393</b>	<b>149,707,438</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	9	73,895,406	103,904,047
Capital Work in Progress		-	-
Long Term Loans & Advances	10	17,566,102	17,366,102
<b>2. Current Assets</b>			
Trade Receivables	11	16,571,221	13,210,169
Cash and Cash Equivalents	12	5,054,129	4,445,503
Short Term Loans and Advances	13	9,125,535	10,781,616
<b>Total</b>		<b>122,212,393</b>	<b>149,707,438</b>

The notes are an integral part of these financial statements.

As per our report of even date attached  
**For S C Garg & Associates**  
 Chartered Accountants  
 Firm Regn. No. 006873N

(Subhash Garg)  
 Partner  
 M.No. 85615



Place : New Delhi  
 Dated : 30-5-2013

For and on behalf of Board of Directors

Director

Director

Company Secretary



**SKYLINE INDIA LIMITED**


**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31st MARCH 2013.**

PARTICULARS	NOTES	For the year	For the year
		ended 31st March, 2013 (Rs.)	ended 31st March, 2012 (Rs.)
1. Revenue From Operation	14	281,415,566	258,564,355
2. Other Income	15	-	-
<b>3. Total Revenue (1+2)</b>		<b>281,415,566</b>	<b>258,564,355</b>
<b>4. Expenses</b>			
Vehicle Expenses		236,673,264	210,988,664
Employees Benefits Expenses	16	617,250	1,414,442
Finance Costs	17	8,146,459	10,936,747
Depreciation and Amortization Expenses	9	32,909,573	30,285,437
Other Expenses	18	1,044,215	3,231,260
<b>Total Expenses</b>		<b>279,390,761</b>	<b>256,856,550</b>
<b>5. Profit Before Tax (3-4)</b>		<b>2,024,805</b>	<b>1,707,805</b>
<b>6. Tax Expenses</b>			
Current Tax		413,030	362,000
Earlier Year Tax		(600)	-
Deferred Tax		(2,291,924)	1,510,676
MAT credit entitlement		(37,585)	(325,422)
<b>7. Profit for the Year (5-6)</b>		<b>3,941,884</b>	<b>160,551</b>
Earning Per Equity Share		0.77	0.03

The notes are an integral part of these financial statements.

As per our report of even date attached  
**For S C Garg & Associates**  
 Chartered Accountants  
 Firm Regn. No. 006873N

(Subhash Garg)  
 Partner  
 M.No. 85615



Place : New Delhi  
 Dated : 30-5-2013

For and on behalf of Board of Directors

Director

Director

Company Secretary



# SKYLINE INDIA LIMITED

REGD. OFFICE: 1E/11 JHANDEWALAN EXTN NEW DELHI

## ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Note No. : 1

### A. Accounting Policies

#### 1. General :-

Accounting Policies not specifically referred to otherwise be consistent and in consonance with generally accepted accounting principles.

#### 2. Revenue Recognition :-

Expenses and Income considered payable and receivable respectively are accounting for on accrual basis except :-

- a) Insurance claims are accounted for on receipt basis
- b) Claims lodged against the company are accounted for on payment basis

#### 3. Fixed Assets :-

Fixed assets are stated at their original cost of acquisition including taxes freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

#### 4. Depreciation :-

Depreciation on Fixed Assets has been provided on straight line method, on the cost of Fixed Assets as per the rates, provided in Schedule XIV of the Companies Act, 1956 other than on the Trucks and Trailers on which accelerated rate of 20% has been provided Further, in case of addition, depreciation has been provided on pro-rata basis commencing from the date on which the asset is commissioned.

#### 5. Investments :-

There are No Investments either at the opening or during the year .

#### 6. Inventories :-

As the Company is in service sector there are no Inventories either at the opening or during the year

#### 7. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred



tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

**(B) Notes on Accounts**

1. The SSI status of the creditors is not known to the company, hence the information is not given.
2. Sundry Creditors, Sundry Debtors, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.

3. Payments to Auditors:-

Auditors Remuneration	F Y 2012-13	F Y 2011-12
Statutory & Tax Audit Fees	60000.00	60000.00
Service Tax	7416.00	6180.00
Total	67,416.00	66,180.00

4. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.

5. **Foreign currency transactions**

There are no foreign currency transaction during the year under review and immediately previous Financial year.

Expenditure in Foreign Currency	Nil	Nil
Earning in Foreign Exchange	Nil	Nil

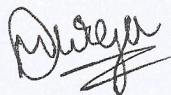
6. **Lease Rental :-**

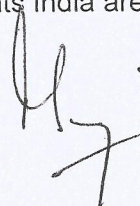
The Company has given Vehicle on the operating lease . Lease Rental Earnings amounting to Rs 4,88,38,067 in the Financial Year 2012-13 & Rs 4,58,04,863.00 In the Financial Year 2011-12 is credited to the Profit and Loss Accounts

7. **Related Party disclosure**

**(A) Related Parties and their Relationship**

Related party disclosure as required under Accounting Standard -18 on 'Related party Disclosure' issued by the Chartered Accountants India are given below:









- a) **Key management personnel & their relatives are** (where there were transaction during the year):

Shri Rajesh Kumar Sanghi

- b) **Enterprises controlled by key management personnel** : (where there were transaction during the year ) : NIL

- c) **Enterprises over which Key management personnel & their relatives are able to exercise significant influence** (where there were transactions during the year) :

Skyline Transport  
Skyline Automobiles

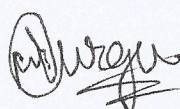
Transactions with related parties during the year

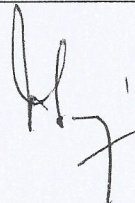
- a) **Enterprises over which key management personnel & their relatives are able to exercise significant influence**

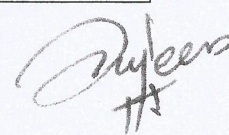
	<u>Current Year</u>	<u>Previous year</u>
i) Funds Received		
Skyline Automobiles	19,76,400/-	5,60,000/-
ii) Funds paid		
Skyline Automobiles	1,63,420/-	20,12,400/-
Skyline Transport	NIL	45,000/-

8. Major components of Deferred tax

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
<i>A) Deferred Tax Liability</i>		
Excess of WDV as per Companies Act over Income Tax Act 1961	44,53,307.00	67,45,231.00
<i>Total</i>	44,53,307.00	67,45,231.00
<i>B) Deferred Tax Assets</i>		
<i>Total</i>	-	-
Net Deferred Tax liabilities/(assets) (A-B)	<b>44,53,307.00</b>	<b>67,45,231.00</b>









9. Contingent liabilities

Current year

previous year

i) Guarantees issued by the company : 40.00 lacs 40.00 lacs

10. Information required as per the Micro, Small and Medium Enterprises Development Act,2006 :-

The company has not received any confirmation from its vendors/ services providers regarding their status of the registration under the Micro, Small and Medium Enterprises Development Act,2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said act have not been furnished.

11. There are no employees eligible for gratuity Act.

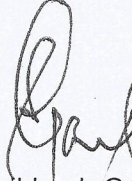
12. As the company's business activity falls within a single primary business segment viz Transport, the disclosure requirements of Accounting Standards (AS-17) Segment Reporting issued by the Institute of Chartered Accountants of India are not applicable.


13. There is no expenditure on employees in receipt of remuneration in excess of limit laid down under Section 217(2A) of the Companies Act 1956.

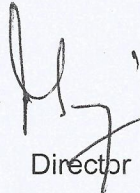
Signature to Schedules 1 to 18

For S C GARG & ASSOCIATES  
Chartered Accountants

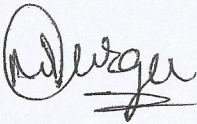
Place: New Delhi  
Dated: 24.05.2013

  
Subhash GARG  
Partner



  
Director

  
Director





**SKYLINE INDIA LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2013**

NOTES	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
<b>2 SHARE CAPITAL</b>		
<b>1. Authorised</b>		
55,00,000 Equity Shares of Rs. 10/- each (Previous year 55,00,000 equity shares of Rs. 10/- Each )	55,000,000	55,000,000
<b>2. Issued</b>		
51,00,000 Equity Shares of Rs. 10/- each (Previous year 51,00,000 equity shares of Rs. 10/- Each )	51,000,000	51,000,000
<b>3. Subscribed and Fully Paid up</b>		
50,88,500 Equity Shares of Rs. 10/- each (Previous year 50,88,500 equity shares of Rs. 10/- Each )	50,885,000	50,885,000
Less: Calls in Arrear by Directors and Officers	2,163,668	2,163,668
Less: Calls in Arrear by Others	8,294,363	8,294,363
	40,426,969	40,426,969

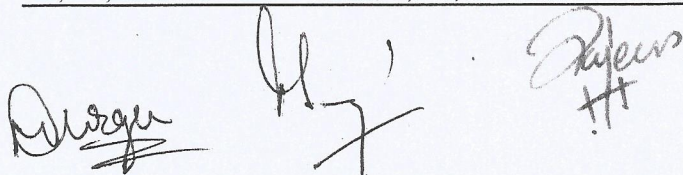
The Company has only one class of share referred as equity share having at par value Rs. 10/-. Each holder of equity share is entitled to same right in all respect.

**a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

	Current Year		Previous Year	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
<b>Equity Shares</b>				
At the beginning of the period	5,088,500	50,885,000	5,088,500	50,885,000
Add: Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	5,088,500	50,885,000	5,088,500	50,885,000

**b. Details of shareholders holding more than 5% of shares in company**

	Current Year		Previous Year	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity shares of Rs. 10 each fully paid</b>				
Rajesh Sanghi	2,915,950	57.30	2,749,940	54.04
PNB Capital Services Ltd.	499,300	9.81	499,300	9.81
	3,415,250	67.12	3,249,240	63.85





**SKYLINE INDIA LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2013**

NOTES	As at 31st March, 2013	As at 31st March, 2012
<b>3 RESERVES &amp; SURPLUS</b>		
<b>General Reserve</b>		
Opening Balance	850,000	850,000
Add: During the Year	-	-
Closing Balance	<u>850,000</u>	<u>850,000</u>
<b>Surplus</b>		
Opening Balance	(123,712)	(284,263)
Add: Profit for the Year	3,941,884	160,551
Closing Balance	<u>3,818,172</u>	<u>(123,712)</u>
Total	<u><u>4,668,172</u></u>	<u><u>726,288</u></u>
<b>4 LONG TERM BORROWINGS</b>		
Term Loans from Banks (secured)	41,989,001	55,739,072
Term Loans from Financial Institution (secured)	<u>11,969,577</u>	<u>31,470,264</u>
	53,958,578	87,209,336
Less : Current maturities of long term debt (Refer note 7)	35,746,807	40,906,158
	<u><u>18,211,771</u></u>	<u><u>46,303,178</u></u>

**Nature of Securities and Terms and conditions :**

**Term Loan against Trucks & Trailers**

- Rupee Term Loans have been taken from Banks and financial institutions for acquisition of Trucks & Trailers.
- These loans are repayable in equated monthly instalments of 35 months to 48 months.
- The rate of interest on these loans is in the range of 6.26% to 11.50%.
- The total original amount of borrowing is Rs. 16,08,95,242/-.
- There are no defaults in the repayment of the loans as per the repayment terms and conditions.
- The aforesaid loans are secured by hypothecation of Trucks & Trailers for which the loan has been taken.
- The aforesaid loans are further secured by the personal guarantee of the Directors.

**5 DEFERRED TAX LIABILITIES**

**On Depreciation**

Opening Balance	6,745,231	5,234,554
Add: During the Year	(2,291,924)	1,510,676
Total	<u><u>4,453,307</u></u>	<u><u>6,745,231</u></u>

*Morgan* *Alz* *Styans*



**SKYLINE INDIA LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2013**

NOTES	<u>As at 31st March, 2013</u>	<u>As at 31st March, 2012</u>
<b>6 <u>TRADE PAYABLES</u></b>		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	12,581,831	9,313,724
	<u>12,581,831</u>	<u>9,313,724</u>
<b>7 <u>OTHER CURRENT LIABILITIES</u></b>		
Current maturities of long term debt (Refer Note 4)		
Term Loans from Banks (secured)	24,961,501	21,134,398
Term Loans from Financial Institution (secured)	10,785,306	19,771,760
Other Liabilities		
Payable in respect Statutory dues	533,743	890,425
Advance Against sale of Trucks & Trailers	1,066,967	951,967
Expenses Payable	372,802	351,037
Other Payables	3,736,995	2,730,460
	<u>41,457,314</u>	<u>45,830,047</u>
<b>8 <u>SHORT TERM PROVISIONS</u></b>		
Provision for Income Tax	413,030	362,000
	<u>413,030</u>	<u>362,000</u>

*Handwritten signatures and initials:*  
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SKYLINE INDIA LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2013

Tangible Assets as on 31st March, 2013

Note - 9

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET W.D.V.		
	As on	Addition	As on	Addition	As on	As on	As on	As on	
	01.04.2012		01.04.2012		31.03.2013	31.03.2013	31.03.2013	31.03.2012	
Trucks & Trailers	173,666,630	2,900,932	176,567,562	32,906,517	102,672,552	73,895,010	103,900,595		
Vehicles	350,286	-	350,186	-	350,186	100	100		
Computer	18,850	-	18,850	3,056	18,554	296	3,352		
<b>Total</b>	<b>174,035,766</b>	<b>2,900,932</b>	<b>176,936,698</b>	<b>32,909,573</b>	<b>103,041,292</b>	<b>73,895,406</b>	<b>103,904,047</b>		

Tangible Assets as on 31st March, 2012

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET W.D.V.		
	As on	Addition	As on	Addition	As on	As on	As on	As on	
	01.04.2011		01.04.2011		31.03.2012	31.03.2012	31.03.2011	31.03.2011	
Trucks & Trailers	121,014,575	52,652,055	173,666,630	30,282,381	69,766,035	103,900,595	81,530,921		
Vehicles	350,286	-	350,186	-	350,186	100	100		
Computer	18,850	-	18,850	3,056	15,498	3,352	6,408		
<b>Total</b>	<b>121,383,711</b>	<b>52,652,055</b>	<b>174,035,766</b>	<b>30,285,437</b>	<b>70,131,719</b>	<b>103,904,047</b>	<b>81,537,429</b>		

*Handwritten signatures and initials:*  
 1. A signature that appears to be "Rajeev" or similar.  
 2. A signature that appears to be "Ajay" or similar.  
 3. A signature that appears to be "Rajeev" or similar.  
 4. A signature that appears to be "Ajay" or similar.



**SKYLINE INDIA LIMITED****NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2013**

NOTES	<u>As at 31st March, 2013</u>	<u>As at 31st March, 2012</u>
<b>10 <u>LONG TERM LOANS AND ADVANCES</u></b> (Unsecured, Considered Good)		
Security Deposits with Related parties	16,500,000	16,500,000
Security Deposits with Others	1,066,102	866,102
	<u>17,566,102</u>	<u>17,366,102</u>
<b>11 <u>TRADE RECEIVABLES</u></b> (Unsecured, considered good unless otherwise stated.)		
Trade Receivables outstanding for a period exceeding Six months	201,610	65,943
Other Trade Receivables	16,369,611	13,144,226
	<u>16,571,221</u>	<u>13,210,169</u>
<b>12 <u>CASH &amp; CASH EQUIVALENTS</u></b>		
Cash in hand	166,493	127,437
Cheques in hand	297,327	-
Balance with Banks		
Current Accounts	4,590,309	4,318,067
	<u>5,054,129</u>	<u>4,445,503</u>
<b>13 <u>SHORT TERM LOANS &amp; ADVANCES</u></b> (Unsecured and Considered Good)		
Advance Recoverable in cash or in kind or for value to be received		
- From Related Party	6,925,781	8,738,760
- From Others	849,992	730,678
Advance Tax/TDS	69,527	69,527
MAT credit entitlement	1,280,235	1,242,650
	<u>9,125,535</u>	<u>10,781,616</u>



