

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

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**NOTICE**

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at 1E/11 Jhandewalan Extn , New Delhi-110005 on Tuesday the 29<sup>th</sup> day of September 2012 at 11a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2012 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. G.S.Saluja , who retires by rotation at this meeting, and being eligible, offers himself for re-appointment.
3. To appoint M/s Gupta Sanjiv & Co., Chartered Accountants, Delhi, as the Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

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

Place: New Delhi  
Date: 29.05.2013

Sd/-  
**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 25<sup>th</sup> to 30<sup>th</sup> September 2012 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 2012:

**FINANCIAL RESULT**

	<b>As at 31<sup>st</sup> March 2012</b>	<b>As at 31<sup>st</sup> March 2011</b>
<b>Profit (Loss) before Tax</b>	258,564,355	207,959,207
Current Tax	362,000	3,90,000
Deferred Tax Saving/ (Expense)	1,510,676	511,931
MAT credit entitlement	(3,25,422)	(389,483)
<b>Profit (Loss) after Tax</b>	160,551	1,588,321

**OPERATIONS**

During the year under review ,the company has achieved a turnover of Rs 25,85,64,355 ( previous year 207,740,680). 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**

Mr. G.S.Saluja., 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.

## **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 2012 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: 08/05/2012

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

**Sd/-  
RAJESH KUMAR SANGHI  
Director**



## **REPORT ON CORPORATE GOVERNANCE**

### **(1) Company's Philosophy on Corporate Governance**

**M/s Skyline India Limited** believes that efficient Corporate Governance required a clear understanding of the respective roles of the Board and of Senior Management and their relationships with others in the corporate structure. The relationships of the Board and Management shall be characterized by sincerity; their relationships with employees shall be characterized by fairness; their relationship with the communities in which they operate shall be characterized by good citizenship; and their relationships with Government shall be characterized by commitment to compliance.

We believe that the essence of Corporate Governance lies in the phrase "Your Company". It is "Your Company" because it belongs to you – the shareholders. The Chairman and Directors are "Your" fiduciaries and trustees. Their objective is to take the business forward to maximize "Your" long-term values.

Our Company committed to meet the highest standards of Corporate Governance and disclosures. **Skyline India Limited** belongs to a group, which has a reputation for integrity, fair play and sound business practices. **Skyline India Limited** believes that Corporate Governance is not just about complying with a set of norms and regulations but is an articles of faith and an integral part of value.

A brief report on Corporate Governance for the year ended on 31<sup>st</sup> March 2012 is given below:

### **(2) Board of Directors**

#### **(A) Composition and Category of Directors**

The Board of Directors comprises of 3 Directors at the year end, which 2 are executive and 1 is non executive.

The composition of Board of Directors, their attendance at Board Meetings during the year ended 31<sup>st</sup> March 2012, the last Annual General Meeting and their Directorships/Committee Memberships in other Companies as on 31<sup>st</sup> March 2012 is as follows:

**(B) Details of Meeting of Board of Directors held during the year ended on 31.03.2012**

Name of the Directors	Category	No. of Board Meeting Attended	Attendance at last AGM	No. of other Directorships in other Companies	As Member in Committees of other Companies	As Chairman in Committees of Other Companies
Mr. Rajesh Kumar Sanghi	Executive Director	10	Yes	6	Nil	Nil
Mr. Rajeev Gupta	Executive Director	10	Yes	Nil	Nil	Nil
Mr. Gurcharan Singh Saluja	Director	10	Yes	Nil	Nil	Nil

None of the Directors on the Board is a member on more than 10 Committee and Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement with the Stock Exchanges) across the Companies in which he is a Director.

(C) Details of Meetings of Board of Directors held during the year

Date	No of Directors Present
27/04/2011	3
26/06/2011	3
11/07/2011	3
30/07/2011	3
10/10/2011	3
31/10/2011	3
18/11/2011	3
05/01/2012	3
01/02/2012	3
30/03/2012	3

The maximum time gap between any two meetings did not exceed four calendar months.

Information to the Board

The Company holds at least four board meetings in a year with at least one meeting in each quarter to review the quarterly financial results. The maximum gap between two board meetings is not more than four months. Agenda papers are circulated to the Board members well in advance. In addition to the specific matters which are taken at the Board meetings, the following information is also placed before the Board for its review:

- Annual Operating Plans and Capital budget and any updates in connection therewith.
- Minutes of the meetings of the Audit Committee and all other committees of the Board.
- Terms of reference of the Committees of the Board.
- Statutory Compliance Certificate.

- ✚ Information on appointment and resignation of senior officers of the Company.
- ✚ Show cause, demand, persecution notices and penalty notices of material importance.
- ✚ Any material default in financial obligations to and by the Company, or substantial non recovery for sale of goods by the Company.
- ✚ Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- ✚ Sale of a material nature, of investments and / or assets, which are not in the normal course of business.
- ✚ Any issue involving possible public or product liability claims of a substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company.

#### **(D) Details of Directors seeking re-appointment at the ensuing Annual General Meeting**

In respect of Directors seeking appointment or re-appointment, the relevant information, like brief resume of the Directors, nature of their expertise in specific, functional areas and names of the Companies in which they hold Directorship and Membership of any Committee of the Board is given as annexure to this report.

### **(3) Audit Committee**

#### **(A) Constitution**

The Audit Committee of the Board was constituted. The following were the members of the Committee during the year 2011-2012.

- |                               |            |
|-------------------------------|------------|
| 1. Mr. Rajesh Kumar Sanghi    | : Director |
| 2. Mr. Rajeev Gupta           | : Director |
| 3. Mr. Gurcharan Singh Saluja | : Director |

#### **(B) Terms of Reference**

Keeping in view the provisions of Section 292A of the Companies Act, 1956 and matters specified under clause 49 of the Listing Agreement with stock exchanges, terms of reference are as under;

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:-
  - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing, the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing, the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
13. Carrying out any other function as required.

**(C) Meeting and Attendance during the year**

Five meetings of the Committee were held during the year on 27/04/2011, 11/07/2011, 10/10/2011, 05/01/2012 and 30/03/2012. The attendance particulars are as follows:

Name of the Chairman /Member	Meeting	
	Held	Attended
Mr. Rajesh Kumar Sanghi	5	5
Mr. Rajeev Gupta	5	5
Mr. Gurcharan Singh Saluja	5	5

**(4) Remuneration Committee**

The Company has a Remuneration Committee which comprises of three members. Mr. Rajesh Kumar Sanghi, Mr. Rajeev Gupta, Mr. Gurcharan Singh Saluja.

The functioning and terms of reference of the Committee are as prescribed under the Listing Agreement with the Stock Exchanges. It determines the Company's policy on all elements of remuneration packages of directors and employees of the Company.

**(5) Share Transfer and Shareholders' /Investors' Grievance Committee**

The Company has structured a system of reviewing the Shareholders'/Investors' Grievance at every Board Meeting. However, a Committee was constituted with a specific authority to look into the Investors'/ Shareholders' Grievance. The following were the members of the Committee during the year.

- (A) Mr. Rajesh Kumar Sanghi - Director
- (B) Mr. Rajeev Gupta - Director
- (C) Mr. Gurcharan Singh Saluja - Director

During the financial year, one meetings of the committee were held as on 26-09-2012;

Company has not received any complain from the shareholders during the financial year.

#### (6) General Body Meeting

(A) The venue date and time of the last 3 Annual General Meetings were as follows;

<u>Date &amp; Time</u>	<u>Location</u>
30 <sup>th</sup> September, 2011 at 10:00 a.m.	1E/11 Swami Ram Tirath Nagar, Jhandewalan Extension, New Delhi- 110055
30 <sup>th</sup> September 2010 at 11:00 a.m.	1E/11 Swami Ram Tirath Nagar, Jhandewalan Extension, New Delhi- 110055
30 <sup>th</sup> September, 2009 at 11:00 a.m.	1E/11 Swami Ram Tirath Nagar, Jhandewalan Extension, New Delhi- 110055

(B) No Special Resolution has been passed during the last three Annual General Meetings

C) No resolutions have been passed through postal ballot.

#### (7) Disclosure

I. The details of materially significant related party transactions are discussed in Notes to the Financial Statement.

II. Due to lock out and other problems, there were instances of non-compliance of Stock Exchange requirement.

(8) **Means of Communication**

i. Quarterly Result for i, ii and iii quarter	No documents filed in any stock exchange.
Quarterly Result for iv quarter	Audited quarterly and yearly results have been prepared and Published.
ii. Whether the website also displays official news releases and presentation to institutional investors / analysts.	Due to the financial problems company can't take Steps to display it on website.
iii. Newspapers where Audited Financial Results, Un-audited quarterly and yearly results are published	Pioneer (In English)
iv. Whether Management Discussion and Analysis is a part of Annual Report or not.	No
v. Annual Report	Annual Report containing, inter alia, Audited Annual Accounts, Consolidated, Director's Report, Auditors' Report and other important information is circulated to members and others entitled thereto.



**(9) Code of Business Conduct and Ethics for Directors and Senior Management**

The Board is committed to follow the Code of Business Conduct and Ethics for Directors and Senior Management ('the Code') as recommended by the Corporate Governance and Shareholders/Investors' Grievance Committee. This Code is a comprehensive Code applicable to all Directors, Executive as well as Non-Executive as well as members of Senior Management. The Code of ethics and compliance with the code of ethics is attached as an Annexure to this report.

**(10) Subsidiary Monitoring Framework**

Company has not any subsidiary company till the end of this financial year.

**(11) General Shareholder Information**

**(a) Annual General Meeting**

Date & Time : 29/09/2012 at 10: 00 A.M.  
Place : 1E/11 Swami Ram Tirath Nagar, Jhandewalan  
Extension, New Delhi- 110055

**(b) Financial Calendar: 2012-13**

*(Tentative)*

Financial Results for the Quarter Ended:

30 <sup>th</sup> June, 2011	- Published but not filed
30 <sup>th</sup> September, 2011	- Published but not filed
31 <sup>st</sup> December, 2011	- Published but not filed
31 <sup>st</sup> March, 2012	- Published but not filed

Approval of Audited Results for  
the year-ended 31.03.2012 - 25<sup>th</sup> August 2012

**(c) Date of book Closure -** 25th September 2012 to 28th September 2012 (both days inclusive)

**(d) Listing on Stock Exchanges:**

The shares of the Company are listed on the following stock exchanges:

S. No.	STOCK EXCHANGE	ADDRESS
(a)	Delhi Stock Exchange	The Delhi Stock Exchange DSE House, 3/1, Asaf Ali Road, New delhi – 110002

**(e) Share Transfer System:**

The Board of Directors of the Company has delegated all the shares transfer work to shareholder grievances committee and company has not out sourced share transfer function to any outside authority.

**(f) (i) Distribution of Shareholding as on 31<sup>st</sup> March, 2012.**

Shareholding of Nominal Value (Rs.)	Shareholders		Share Amount	
1	Number 2	% to Total 3	Rs. 4	% to Total 5
Up to 5000	619	87.677	3050600	5.995
5001 – 10,000	48	6.799	358000	0.704
10,001-20,000	17	2.408	319000	0.627
20,001-30,000	3	0.425	80000	0.157
30,001-40,000	6	0.850	240000	0.472
40,001-50,000	0	0	0	0
50,001-1,00,000	3	0.425	300000	0.590
1,00,001- and above	10	1.416	46537400	91.456
	<b>706</b>	<b>100.00</b>	<b>50885000</b>	<b>100.00</b>

**(g)(ii) Shareholding Pattern as on 31.03.2012**

Category		No. of shares held	Percentage of shareholding
A.	<b>Promoter's holding</b>		
1.	Promoters		
	- Indian Promoters	2839950	55.811

	- Foreign Promoters - Bodies Corporate	76000	1.494
2.	Persons acting in concert #		
	<b>Sub – Total :</b>	<b>2915950</b>	<b>57.305</b>
B.	Non-Promoters Holding		
3.	Institutional Investors		
	a. Mutual Funds and UTI b. Banks, Financial Institutions, Insurance Companies (Central/Sale Govt. Institutions/Non-Government Institutions)	Nil	Nil
	c. FIIs	Nil	Nil
	<b>Sub Total</b>	<b>Nil</b>	<b>Nil</b>
4.	Others		
	a. Corporate Bodies	1485500	29.193
	b. Indian Public	687050	13.502
	c. NRIs/OCBs	Nil	Nil
	d. Any other (please specify)- Clearing Members	Nil	Nil
	e. Any other (please specify)- Trust	Nil	Nil
	<b>Sub-Total</b>	<b>2172550</b>	<b>42.695</b>
	<b>Grand Total</b>	<b>2172550</b>	<b>42.695</b>

**(h) Address for Correspondence**

**SKYLINE INDIA LIMITED**

1E/11 Swami Ram Tirath Nagar, Jhandewalan Extension, New Delhi-110055

For and on behalf of the Board  
**SKYLINE INDIA LIMITED**

Place : New Delhi  
Date : 08/05/2012

Sd/-  
**Rajesh Kumar Sanghi**  
Director

Sd/-  
**Rajeev Gupta**  
Director

# 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, 2012** (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 **10 times** on **27.04.2011, 26.06.2011, 11.07.2011, 30.07.2011, 10.10.2011, 31.10.2011, 18.11.2011, 05/01/2012, 01.02.2012** and **30.03.2012** 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, 2011** was held on **30.09.2011** 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 to make 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.
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: 25/08/2012

For SHWETA GUPTA & ASSOCIATES  
COMPANY SECRETARIES



(SHWETA GUPTA)  
C.P NO. : 11208

## **ANNEXURE A**

### **REGISTERS MAINTAINED BY THE COMPANY**

<b>S.No.</b>	<b>Particulars</b>	<b>Relevant Section</b>
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, 2012.

<b>S. No</b>	<b>Particulars of Forms/ Returns Filed</b>	<b>Date of Filing</b>	<b>Whether filed within Prescribed Time</b>	<b>Additional Fees Paid</b>
1.	Form 32	30/08/2011	YES	N.A.
2.	Form 32	30/08/2011	YES	N.A.
3.	Form 32	30/08/2011	YES	N.A.
4.	Form 23AC, 23ACA	23/11/2011	YES	N.A.
5.	Form 20B	23/11/2011	YES	N.A.
6.	Form 8	18/01/2012	YES	N.A.

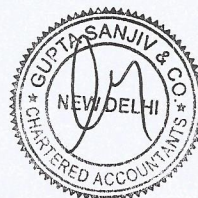




**AUDITORS REPORT**

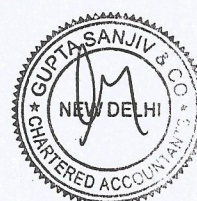
TO  
THE MEMBERS OF SKYLINE INDIA LIMITED

1. We have audited the attached Balance Sheet of **SKYLINE INDIA LIMITED**, as at 31<sup>st</sup> March, 2012 and also the Statement of Profit & Loss and Cash Flow Statement of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examination on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub-Section (4A) of section 227 of the Companies Act, 1956, We enclose in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.
4. Further , we report that :-
  - i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit,
  - ii) 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 the books,
  - iii) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with books of account,
  - iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting





5. (a) According to the information and explanation given to us, we are of the opinion that particulars of contracts/ arrangements that need to be entered in the register maintained under section 301 of the Act, have been so entered.
- (b) In our opinion and according to information and explanations given to us, in respect of the transaction made in pursuance of contracts or arrangements entered the registers maintained in pursuance of section 301 of the companies Act, 1956, and exceeding the value of Rs. 5 lacs, in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanation given to us, as the company has not accepted any deposit from the public, paragraph 4 (vi) of the order is not applicable.
7. In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
8. As explained to us, the provisions for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 are not applicable to the company. Therefore paragraph 4 (viii) of the order is not applicable.
9. (a) As explained to us, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Service Tax, Income Tax, Sales Tax, and any other material statutory dues applicable to it. According to the information and explanation given to us, there are no undisputed amount payable in respect of the above as at 31.03.2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of Provident Fund, Income Tax, Sale Tax, Employees State Insurance, Wealth Tax, Custom Duty, Service Tax and Education Cess which have not been deposited on account of any dispute.
10. The accumulated losses are less than 50% of the net worth of the company as on 31st March 2012. The company has not incurred cash losses in the financial year under report and in the immediately preceding financial year.
11. In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of dues to banks.
12. According to the information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute as specified under paragraph 4 (xiii) of the order are not applicable to the company.

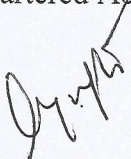


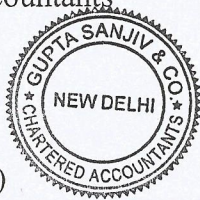


14. As the company is not dealing or trading in shares, securities, debentures and other investments paragraph 4 (xiv) of the order is not applicable.
15. According to the information and explanation given to us, the company has not given any guarantees during the year for loans taken by other from bank or financial institutions.
16. In our opinion and according to information and explanations provided to us, the term loans were applied for the purpose for which the loans were obtained.
17. According to the information and explanation provided to us, and on an overall examination of the Balance Sheet of the company, we report that short-term funds have not been used for long term investment.
18. As the company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Act, therefore paragraph 4 (xiii) of the order is not applicable.
19. During the year, as the company has not issued any debentures, therefore paragraph 4 (xix) of the order is not applicable.
20. During the year, since the company has not raised any money by way of public issue, paragraph 4 (xx) of the order is not applicable.
21. On the basis of audit procedures performed and information and explanation provided to us, no fraud on or by the company has been noticed or reported, during the course of audit for the year ended on 31<sup>st</sup> March, 2012.

Subject to our separate report of even date.

For GUUPTA SANJIV & CO.  
Chartered Accountants

  
(Sanjiv Gupta)  
Partner  
M. No. 84118



Place: New Delhi

Dated: 25/08/2012



## ANNEXURE TO AUDITOR'S REPORT

Annexure referred to in paragraph 3 of the Auditor's Report to the members of **M/S SKYLINE INDIA LIMITED**, on the account for the year ended 31<sup>st</sup> March 2012.

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) As explained to us, all the fixed assets have not been physically verified by the management during the year, but there is a regular program for verification which, in our opinion, is reasonable, having regard to the size of the company and the nature of its assets.  
  
(c) The Company has not disposed off substantial part of its fixed assets so as to effect the going concern of the company.
2. According the information and explanations provided to us, as the company does not have any inventory during the year, the paragraph 4(ii) (a) (b) and (c) are not applicable.
3. (a) According to information and explanations provided to us the company has not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the Act.  
  
(b) In our opinion and according to information and explanations given to us, as the company has not granted any loans as aforesaid, thus the paragraphs 4(iii) (b) (c) and (d) are not applicable.  
  
(c) According to the information and explanations given to us, the company has not taken unsecured loans during the year, from parties covered under section 301 of the Act.  
  
(d) In our opinion and according to information and explanations given to us as the company has not taken any loans from parties covered under section 301 of the Act, the provisions of paragraph 4 (iii) (f) & (g) are not applicable to the company.
4. In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.

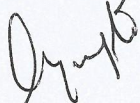




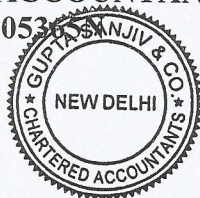
standards referred to in sub-section 3 (c) of section 211 of the Companies Act 1956, to the extent applicable.

- v) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with Notes on Accounts & accounting policies give the information required by the Companies Act, 1956, 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 31st March, 2012;
  - b) In case of Statement of Profit & Loss of the profit of the company 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.

**For GUPTA SANJIV & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Regn. No. 053658



(Sanjiv Gupta)  
Partner.  
M.No. 84118



Place : New Delhi  
Dated: 25/08/2012



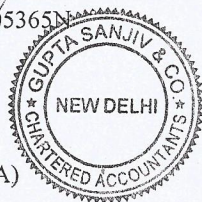
**SKYLINE INDIA LIMITED****BALANCE SHEET AS AT 31st MARCH, 2012**

PARTICULARS	NOTES	As at 31st	As at 31st
		March, 2012	March, 2011
		(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	726,288	565,737
<b>2. Non-Current Liabilities</b>			
Long Term Borrowings	4	46,303,178	49,959,592
Deferred Tax Liabilities (Net)	5	6,745,231	5,234,554
<b>3. Current Liabilities</b>			
Trade Payables	6	9,313,724	5,146,266
Other Current Liabilities	7	45,830,047	31,671,470
Short Term Provisions	8	362,000	291,834
<b>Total</b>		<b>149,707,437</b>	<b>133,296,423</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	9	103,904,047	81,537,429
Capital Work in Progress		-	8,012,048
Long Term Loans & Advances	10	17,366,102	17,266,102
<b>2. Current Assets</b>			
Trade Receivables	11	13,210,169	7,430,273
Cash and Cash Equivalents	12	4,445,503	8,600,804
Short Term Loans and Advances	13	10,781,616	10,449,767
<b>Total</b>		<b>149,707,437</b>	<b>133,296,423</b>

The notes are an integral part of these financial statements.

As per our report of even date attached  
FOR GUPTA SANJIV & CO.  
Chartered Accountants  
Firm Regn. No. 05365N

(SANJIV GUPTA)  
Partner  
M.No. 84118



For and on behalf of Board of Directors

Director

Director

Company Secretary

Place : New Delhi  
Dated : 25/08/2012



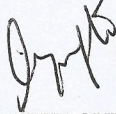
# SKYLINE INDIA LIMITED

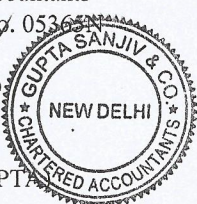
## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31st MARCH 2012.

PARTICULARS	NOTES	For the year ended 31st March, 2012 (Rs.)	For the year ended 31st March, 2011 (Rs.)
1. Revenue From Operation	14	258,564,355	207,740,680
2. Other Income	15	-	218,527
3. Total Revenue (1+2)		<u>258,564,355</u>	<u>207,959,207</u>
4. Expenses			
Vehicle Expenses		210,988,664	174,628,843
Employees Benefits Expenses	16	1,414,442	1,086,020
Finance Costs	17	10,936,747	6,992,577
Depreciation and Amortization Expenses	9	30,285,437	21,584,715
Other Expenses	18	3,231,260	1,566,283
Total Expenses		<u>256,856,550</u>	<u>205,858,438</u>
5. Profit Before Tax (3-4)		1,707,805	2,100,770
6. Tax Expenses			
Current Tax		362,000	390,000
Deferred Tax		1,510,676	511,931
MAT credit entitlement		(325,422)	(389,483)
7. Profit for the Year (5-6)		160,551	1,588,321
Earning Per Equity Share		0.03	0.31

The notes are an integral part of these financial statements.

As per our report of even date attached  
FOR GUPTA SANJIV & CO.  
Chartered Accountants  
Firm Regn. No. 053654

  
(SANJIV GUPTA)  
Partner  
M.No. 84118

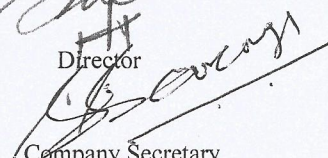


Place : New Delhi  
Dated : 25/08/2012

For and on behalf of Board of Directors

  
Director

  
Director

  
Company Secretary



# **SKYLINE INDIA LIMITED**

## **NOTES FORMING PART OF FINANCIAL STATEMENTS** **AS AT 31ST MARCH 2012**

### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **A. BACKGROUND AND NATURE OF OPERATIONS**

The Company is engaged in the business of providing Transportation Services.

#### **B. SIGNIFICANT ACCOUNTING POLICIES**

##### **a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respect with the accounting standard notified under the companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis and under the historical cost convention.

##### **b) USE OF ESTIMATES**

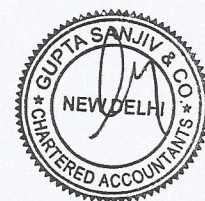
In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

##### **c) TANGIBLE ASSETS**

- i. Tangible Assets are stated at cost less accumulated depreciation.
- ii. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use.
- iii. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Profit and Loss account.

##### **d) DEPRECIATION**

- i. Depreciation is provided under the the Straight line Method based on the estimated useful life of the assets which is equal to the corresponding life in schedule XIV of the Companies Act, 1956 (as amended by the Companies (Amendment) Act, 1988).
- ii. Depreciation is calculated on pro-rata basis from the date of installation till the date the assets are sold or disposed.
- iii. Depreciation on Trucks & Trailers has been provided at an accelerated rate of 20%, which is higher than the rate prescribed in schedule XIV of the Companies Act, 1956.





e) **REVENUE RECOGNITION**

Income and Expenditure are accounted for on accrual basis except:-

- i) Insurance claims are accounted for on receipt basis.
- ii) Claims lodged against the company are accounted for on payment basis

f) **TAXATION**

Tax expenses comprises both current and deferred taxes.

Provision for current taxation is ascertained on the assessable profits computed in accordance with the provisions of Minimum Alternate Tax (MAT) of the Income-tax Act, 1961 ('the Act').

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

g) **EARNING PER SHARE**

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

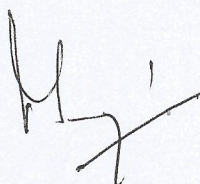
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period.

h) **CONTINGENT LIABILITIES AND PROVISIONS**

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. A disclosure is made for possible future obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in the financial statements.

i) **IMPAIRMENT OF ASSETS**

The Company assesses at the balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.





**SKYLINE INDIA LIMITED****NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2012****NOTES****2 SHARE CAPITAL****1. Authorised**

55,00,000 Equity Shares of Rs. 10/- each

(Previous year 55,00,000 equity shares of Rs. 10/- Each )

**As at 31st  
March, 2012**  
Rs.**As at 31st  
March, 2011**  
Rs.

55,000,000

55,000,000

**2. Issued**

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

51,000,000

51,000,000

**3. Subscribed and Fully Paid up**

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****Equity Shares**

At the beginning of the period

5,088,500 50,885,000 5,088,500 50,885,000

Add: Issued during the period

- - - -

**Outstanding at the end of the period****5,088,500 50,885,000 5,088,500 50,885,000****b. Details of shareholders holding more than 5% of shares in company****Equity shares of Rs. 10 each fully paid**

Rajesh Sanghi

2,749,940 54.04 2,749,940 54

PNB Capital Services Ltd.

499,300 9.81 499,300 10

**3,249,240 63.85 3,249,240 64**




**SKYLINE INDIA LIMITED****NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2012****NOTES****3 RESERVES & SURPLUS****General Reserve**

Opening Balance	850,000	850,000
Add: During the Year	-	-
Closing Balance	850,000	850,000

**Surplus**

Opening Balance	(284,263)	(1,872,584)
Add: Profit for the Year	160,551	1,588,321
Closing Balance	(123,712)	(284,263)
Total	726,288	565,737

**4 LONG TERM BORROWINGS**

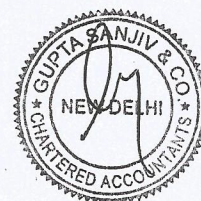
Term Loans from Banks (secured)	55,739,072	29,307,689
Term Loans from Financial Institution (secured)	31,470,264	47,853,290
	87,209,336	77,160,979
Less : Current maturities of long term debt (Refer note 7)	40,906,158	27,201,386
	46,303,178	49,959,592

**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. 14,46,87,633/-.
- 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	5,234,554	4,722,623
Add: During the Year	1,510,676	511,931
Total	6,745,231	5,234,554





**SKYLINE INDIA LIMITED****NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2012****NOTES****6 TRADE PAYABLES**

Total outstanding dues of Micro and Small Enterprises

Total outstanding dues of creditors other than Micro and Small Enterprises

**As at 31st  
March, 2012****As at 31st  
March, 2011**

-

-

9,313,724

5,146,266

9,313,7245,146,266**7 OTHER CURRENT LIABILITIES**

Current maturities of long term debt (Refer Note 4)

Term Loans from Banks (secured)

Term Loans from Financial Institution (secured)

21,134,398

8,565,673

19,771,760

18,635,713

Other Liabilities

Payable in respect Statutory dues

Advance Against sale of Trucks &amp; Trailers

Expenses Payable

Other Payables

890,425

779,642

951,967

951,967

351,037

353,037

2,730,460

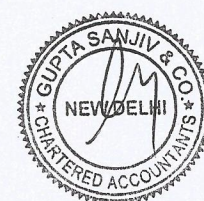
2,385,438

45,830,04731,671,470**8 SHORT TERM PROVISIONS**

Provision for Income Tax

362,000

291,834

362,000291,834



**SKYLINE INDIA LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2012**

**Tangible Assets as on 31st March, 2012**

**Note - 9**

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET W.D.V.	
	As on 01.04.2011	Addition	As on 31.03.2012	As on 01.04.2011 Addition	As on 31.03.2012	As on 31.03.2011
Trucks & Trailers	121,014,575	52,652,055	173,666,630	39,483,654	30,282,381	81,530,921
Vehicles	350,286	-	350,286	350,186	-	100
Computer	18,850	-	18,850	12,442	3,056	6,408
<b>Total</b>	<b>121,383,711</b>	<b>52,652,055</b>	<b>174,035,766</b>	<b>39,846,282</b>	<b>30,285,437</b>	<b>81,537,429</b>

**Tangible Assets as on 31st March, 2011**

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET W.D.V.	
	As on 01.04.2010	Addition	As on 31.03.2011	As on 01.04.2010 Addition	As on 31.03.2011	As on 31.03.2010
Trucks & Trailers	60,533,592	60,480,983	121,014,575	17,901,995	39,483,654	42,631,597
Vehicles	350,286	-	350,286	350,186	-	100
Computer	18,850	-	18,850	9,386	3,056	9,464
<b>Total</b>	<b>60,902,728</b>	<b>60,480,983</b>	<b>121,383,711</b>	<b>18,261,567</b>	<b>21,584,715</b>	<b>42,641,161</b>



*Signature*

*Signature*



**NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2012**

**NOTES**

	<u>As at 31st March, 2012</u>	<u>As at 31st March, 2011</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	866,102	766,102
	<u>17,366,102</u>	<u>17,266,102</u>
<b>11 <u>TRADE RECEIVABLES</u></b> (Unsecured, considered good unless otherwise stated.)		
Trade Receivables outstanding for a period exceeding Six months	65,943	65,943
Other Trade Receivables	13,144,226	7,364,330
	<u>13,210,169</u>	<u>7,430,273</u>
<b>12 <u>CASH &amp; CASH EQUIVALENTS</u></b>		
Cash in hand	127,437	56,286
Cheques in hand	-	1,107,866
Balance with Banks		
Current Accounts	4,318,067	7,436,652
	<u>4,445,503</u>	<u>8,600,804</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	8,738,760	8,341,361
- From Others	730,678	744,724
Advance Tax/TDS	69,527	446,454
MAT credit entitlement	1,242,650	917,228
	<u>10,781,616</u>	<u>10,449,767</u>

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**SKYLINE INDIA LIMITED****NOTES FORMING PART OF FINANCIAL STATEMENTS  
AS AT 31ST MARCH 2012**

NOTES	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>14 <u>REVENUE FROM OPERATION</u></b>		
Sales of Service		
Freight & Hire Charges	258,564,355	207,740,680
	<u>258,564,355</u>	<u>207,740,680</u>
<b>15 <u>OTHER INCOME</u></b>		
Interest Received	-	85,376
Other Non-Operating Income	-	133,151
	<u>-</u>	<u>218,527</u>
<b>16 <u>EMPLOYEE BENEFIT EXPENSES</u></b>		
Salary, Wages and Bonus	1,337,232	1,015,740
Staff welfare	77,210	70,280
	<u>1,414,442</u>	<u>1,086,020</u>
<b>17 <u>FINANCE COST</u></b>		
Finance Charges	10,908,550	6,765,291
Bank Charges	28,197	227,286
	<u>10,936,747</u>	<u>6,992,577</u>
<b>18 <u>OTHER EXPENSES</u></b>		
Auditor's Remuneration		
Statutory Audit Fees	66,180	66,180
Rent	258,000	236,500
Insurance	-	4,782
Amount w/off	137	392,559
Repair & Maintenance	1,475,840	218,400
Travelling and Conveyance	857,060	349,550
Miscellaneous Expenses	574,043	298,312
	<u>3,231,260</u>	<u>1,566,283</u>





## **SKYLINE INDIA LIMITED**

### **NOTES FORMING PART OF FINANCIAL STATEMENTS** **AS AT 31ST MARCH 2012**

#### **19. Contingent liabilities**

	<b><u>Current Year</u></b> <b><u>(Rs.)</u></b>	<b><u>Previous Year</u></b> <b><u>(Rs.)</u></b>
i) Guarantees issued by the Company :	40.00 lacs	40.00 lacs

#### **20. Information required as per the Micro, Small and Medium Enterprises Development Act, 2006**

The company has not received any confirmation from its vendors/ service providers regarding their status of 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.

#### **21. Related Party Disclosures**

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

**a) Key Management Personnel & their relatives are ( where there were transactions during the year) :**

Shri Rajesh Kumar Sanghi

**b) Enterprises controlled by Key management personnel : ( where there were transactions during the year) : NIL**

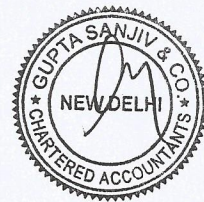
**c) Enterprises over which Key management personnel & their relatives are able to exercise significant influence ( where there were transactions during the year) :**

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**

<b>b)</b>	<b><u>Current Year</u></b> <b><u>(Rs.)</u></b>	<b><u>Previous Year</u></b> <b><u>(Rs.)</u></b>
i) Funds Received Skyline Automobiles	5,60,000/-	63,000/-
ii) Funds Paid Skyline Automobiles Skyline Transport	20,12,400/- 45,000/-	5,79,507/- -
iii) Freight recovered Skyline Transport	NIL	26,548/-





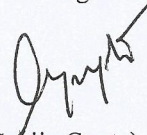
22. Income & Expenditure in Foreign Currency : NIL NIL
23. There are no employees eligible for gratuity under the Payment of Gratuity Act.
24. As the company's business activity falls within a single primary business segment viz Transport the disclosure requirements of Accounting Standards (AS-17) Segment Reporting issued by the Institute of Chartered Accountants of India are not applicable.
25. Advance shown under "Loans and Advances" in Note-13 includes Rs. 252.39 Lacs (Previous year Rs. 248.41 Lacs) recoverable from firms in which directors are interested. These amounts are towards securities given for the use of assets of the firms and income recoverable, which is in the normal course of business. [Maximum amount outstanding during the year: Rs. 252.39 Lacs (Previous Year Rs.248.41 Lacs)].
26. In the opinion of the board of Directors of the company, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and Provision for all known liabilities has been made.
27. Outstanding balances debit/credit are subject to confirmation.
28. There is no expenditure on employees in receipt of remuneration in excess of limits laid down under Section 217(2A) of the Companies Act 1956.
29. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

Subject to our separate report of even date.

**For GUPTA SANJIV & CO.**

Chartered Accountants

Firm Regn. No. 053658

  
(Sanjiv Gupta)  
Partner

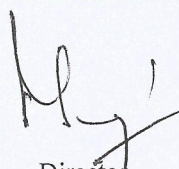
M. No. 84118

Place : New Delhi

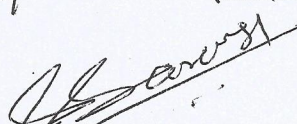
Date : 25/08/2012



**For and on behalf of the board of Directors**

  
Director

  
Director

  
Company Secretary