

M. SHARMA & COMPANY

Chartered Accountants

305, Ratan Chamber, Ring Road, Surat-395002(INDIA)

E-mail:ca.madhu21@hotmail.com

AUDITOR'S REPORT

To,
The Member of
ARC Translogistic India Pvt. Ltd.

1. We have audited the attached Balance Sheet of ARC Translogistic India Pvt. Ltd. as at 31st March 2013 and Profit & Loss Account for the year ended on that date together with schedules and notes thereon annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express opinion on this financial statement 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the company Act, 1956, we attach a separate **annexure** on the matters Specified in paragraphs 4 and 5 of the said order.
4. Further we report that:
 - a) 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.
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appear from our examination of the books.
 - c) The Balance Sheet and Profit & Loss accounts dealt with by this Report are in agreement with the books of account.
 - d) The company has duly complied with the accounting standard referred to in section 211 (3C) of the companies act 1956.

- e) As per information and explanation given to us, none of the director, of the company is disqualified from being appointed as a director in terms of cause (g) of the sub section (1) of section 274 of the companies act 1956;
- f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with the notes thereon give the information required by the companies act, 1956. in the manner so required and give a true and fair view.
1. In the case of Balance Sheet of the state of affairs of the company as at 31st march ,2013
 2. In the case of Profit & Loss account of the loss of the company for the year ended on that date.

Place : Surat
Dated: 23/08/2013

For, M. SHARMA & COMPANY
Chartered Accountants



Madhu
(Madhu Sharma)
Proprietor
F.R.N.134605W

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph (3) of our report of even date on account of **ARC Translogistic India Private Limited** for the year ended on 31st March , 2013.

1. (a) The company is maintaining proper records showing full particulars situation of fixed assets.
(b) The company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and the nature of its assets and no material discrepancy has been noticed.
(c) During the year the company has not disposed off any of its fixed assets.
2. (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained in section 301 of the act.
(b) The company has taken secured loans from HDFC Bank & Sunderam Finance Ltd. Sum of Rs.7277219/- and unsecured loan of Rs.7980011/- from Directors.
(c) The rate of interest and other terms and condition of loan taken as mention in para (b) above are not prima facie prejudicial to the interest of the company.
3. In our opinion and according to the information and explanation given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business for purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls.
4. In our opinion and according to the and explanation given o us the company has not accepted any deposits from the public in violation of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
5. According to the information and explanation given to us and based on the documents and records produced before us, the company is not in default repayment of dues to any financial institution or bank at the year end.
6. According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.
7. According to the information and explanation given and examined by us, the company has not given any guarantee except given for hire purchase loan for Lorry.
8. As per information given to us and the record examined by us, the company has not applied for any term loan except hire purchase loan for lorry.

9. On the basis of an overall examination of the balance sheet of the company and the information and explanation given to us, we report that the company has not utilized the fund raised on short term basis for the long term investment and vice-versa

10. During the year under review, the company has not made any allotment of shares to any party.

11. The company did not issue any debenture during the year.

12. Based on the audit procedure performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

13. As per the information and explanation given to us and taken into consideration the nature of business of the company, clause (vii), (xiii), (xiv) and (xx) of paragraph 4 of the companies (Auditors Report) Order, 2003 are not applicable to the company.

Place: Surat
Date: 23/08/2013

For M. SHARMA & COMPANY
Chartered Accountants



Madhu
(Madhu Sharma)
Proprietor
F.R.N.134605W

ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

A-105, Sangam Colony Road No.-14
VKI Area, Jaipur

Balance Sheet as at 31st March, 2013

Particulars	Note No	As at March31, 2013 Rs.	As at March31, 2012 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	100,000	100,000
(b) Reserves and Surplus	2	218,498	877,202
(C) Defered Tax Liability	3	-	396,083
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	15,257,230	16,137,591
(4) Current Liabilities			
(a) Short-term borrowings	5	1,533,677	796,919
(b) Trade payables	6	15,211,824	15,365,054
(c) Other current liabilities	7	1,092,585	1,062,475
Total		33,413,814	34,735,324
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	7,937,090	12,831,010
(b) Non-current investments			
(c) Deferred tax assets (net)	3	134,061	
(d) Long term loans and advances	9	1,021,489	407,668
(2) Current assets			
(c) Trade receivables	10	23,395,089	19,033,086
(d) Cash and cash equivalents	11	414,548	2,281,806
(e) Short-term loans and advances	12	511,537	181,754
Total		33,413,814	34,735,324

See accompanying notes forming part of the financial statements

As per our report of even date

For M. SHARMA & COMPANY

Chartered Accountants

Madhu
(Madhu sharma)
Proprietor
Mem. No.414355
F.R.NO. 134605W
Place Surat
Date: 23/08/2013



For: ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

R. Sharma
(Ramesh K. Sharma)
(Director)

सुनीता
(Sunita Ramchandra)
(Director)

ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

A-105, Sangam Colony Road No.-14
VKI Area, Jaipur

Profit and Loss statement for the year ended 31st March, 2013

Particulars	Note No	As at March31, 2013	As at March31, 2012
I. Revenue from operations	13	132,432,695	Rs. 103,192,854
II. Other Income		3,255	0
III. Total Revenue (I + II)		132,435,950	103,192,854
IV. Expenses:			
Operational Expenses	14	121,164,370	95,199,057
Employee benefit expense	15	2,048,012	1,595,673
Financial costs	16	1,058,839	285,332
Depreciation and amortization expense	8	5,141,785	859,887
Other expenses	17	3,898,878	3,661,145
Total Expenses		133,311,884	101,601,094
V. Profit before exceptional and extraordinary items and tax	(III - IV)	(875,934)	1,591,760
VI. Exceptional Items		0	0
VII. Profit before extraordinary items and tax (V - VI)		(875,934)	1,591,760
VIII. Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		(875,934)	1,591,760
X. Tax expense:			
(1) Current tax		312,914	318,475
(2) Deferred tax		(530,144)	396,083
XI. Profit(Loss) from the period from continuing operations	(IX-X)	(658,704)	877,202
XII. Profit/(Loss) from discontinuing operations		0	0
XIII. Tax expense of discounting operations		0	0
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		0	0
XV. Profit/(Loss) for the period (XI + XIV)		(658,704)	877,202
XVI. Earning per equity share:			
(1) Basic		(65.87)	87.72
(2) Diluted			

See accompanying notes forming part of the financial statements
As per our report of even date

For: ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

For M. SHARMA & COMPANY
Chartered Accountant

(Madhu sharma)
Proprietor
Mem. No.414355
F.R.NO. 134605W
Place Surat
Date: 23/08/2013



Ramesh K. Sharma

(Ramesh K. Sharma)

Sunita Ramchandra

(Sunita Ramchandra)

ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

A-105, Sangam Colony Road No.-14

VKI Area, Jaipur

Notes forming part of the Financial Statements

1 Share Capital

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
<u>Authorised Capital</u> 50000 Shares @ Rs. 10/- each share	500,000	500,000
 <u>Issued and Subscribed Capital</u> 10000 Shares @ Rs. 10/- each share	100,000	100,000

2 Reserve and Surplus

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Balance of Profit & Loss A/c	218,498	877,202
	<u>218,498</u>	<u>877,202</u>

3 Deferred Tax Liability (Asset)

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
WDV as per Companies Act	7,937,090	12,831,010
WDV as per Income Tax Act	8,350,222	11,610,540
Difference	(413,132)	1,220,470
Provided @ 32.45% on difference	<u>(134,061)</u>	<u>396,083</u>

4 Long-term borrowings

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
<u>Secured Loans (Against Hypothication of Trucks)</u>		
HDFC Bank Ltd.	5,131,232	7,409,847
Sunderam Finance Ltd.	2,145,987	3,243,344
	<u>7,277,219</u>	<u>10,653,191</u>

Unsecured Loans - From Directors

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Ramesh Kumar Sharma	7,870,011	5,374,400
Sharda Devi	50,000	50,000
Sunita Devi	60,000	60,000
	<u>7,980,011</u>	<u>5,484,400</u>

5 Short-term borrowings

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Ramesh Kumar Sharma-Salary A/c	646,633	204,129
Sharda Devi-Salary A/c	488,374	293,820
Sunita Devi- Salary A/c	398,670	298,970
	<u>1,533,677</u>	<u>796,919</u>

6 Trade Payables

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Misc. Lorry Hire Payables (Less than Six Month)	15,211,824	15,365,054
	<u>15,211,824</u>	<u>15,365,054</u>

7 Other Current Liabilities

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
TDS Payable	77,773	428,454
Expenses Payable	60,221	94,401
Salary Payable	145,269	108,700
Bonus Payable	122,200	80,200
Leave Salary Payable	48,233	19,745
Provision for Taxation	631,389	318,475
Audit Fees Payable	7,500	12,500
	<u>1,092,585</u>	<u>1,062,475</u>

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8. Fixed Assets

	Gross Block			Depreciation				Net Block		
	As at March 31,2012	Additions	Deductions	As at March 31,2013	As at March 31,2012	For the Year	Deductions	As at March 31,2013	As at March 31,2013	As at March 31,2012
Trucks	13520767	0	0	13520767	830030	5076295	0	5906325	7614442	12690737
Computers	71100	0	0	71100	19737	20545	0	40282	30818	51363
Furniture & Fixture	70760	8380	0	79140	7780	12745	0	20525	58615	62980
Mobiles	28270	70525	0	98795	2340	9990	0	12330	86465	25930
Invertors	0	25000	0	25000	0	2258	0	2258	22742	0
M.cycle/scooty	0	143960	0	143960	0	19952	0	19952	124008	0
	<u>13690897</u>	<u>247865</u>	<u>0</u>	<u>13938762</u>	<u>859887</u>	<u>5141785</u>	<u>0</u>	<u>6001672</u>	<u>7937090</u>	<u>12831010</u>
Previous Year	0	13690897	0	13690897	0	859887	0	859887	12831010	0

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9 Long Term Loans and Advances

Advance Income Tax
TDS-By Parties

As at March 31, 2013	As at March 31, 2012
Rs. 710,000	Rs. 400,000
311,489	7,668
<u>1,021,489</u>	<u>407,668</u>

10 Trade Receivables

(un Secured, considered good)

More than Six Months
Others

As at March 31, 2013	As at March 31, 2012
Rs. 101,000	Rs. 593,517
23,294,089	18,439,569
<u>23,395,089</u>	<u>19,033,086</u>

11 Cash & Cash Equivalents

Cash In Hand
Balances With Bank
In Current Account

As at March 31, 2013	As at March 31, 2012
Rs. 147,414	Rs. 55,857
267,134	2,225,949
<u>414,548</u>	<u>2,281,806</u>

12 Short Term Loans and Advances

Salary Advance
Prepaid Expenses

As at March 31, 2013	As at March 31, 2012
Rs. 161,185	Rs. 57,500
350,352	124,254
<u>511,537</u>	<u>181,754</u>



ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

A-105, Sangam Colony Road No.-14
VKI Area, Jaipur

Notes forming part of the Financial Statements

13 Revenue from operations

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Freight Received (inclusive of Hamali)	113,326,628	100,910,607
Own Lorry Freight	19,106,067	2,282,247
	<u>132,432,695</u>	<u>103,192,854</u>

14 Operation Expenses

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Lorry Hire	104,425,100	92,935,643
Hamali Expenses	256,000	333,858
Own Lorry Expenses	16,483,270	1,929,556
	<u>121,164,370</u>	<u>95,199,057</u>

15 Employee benefit expenses

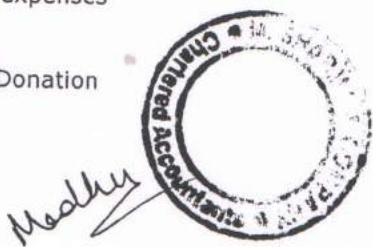
	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Salary	1,687,865	1,349,090
Bonus	122,200	80,200
Leave Salary	48,233	19,745
Staff Welfare Expenses	189,714	146,638
	<u>2,048,012</u>	<u>1,595,673</u>

16 Financial costs

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Interest to Bank	736,923	227,133
Interest to Others	313,926	54,534
Bank Charges	7,990	3,665
	<u>1,058,839</u>	<u>285,332</u>

17 Other expenses

	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Telephone expenses	119,265	169,536
Car Repair & Maintinace	178,188	58,792
Car Running expenses	200,496	173,689
Director's Salary	2,100,000	2,100,000
Subscription	0	2,120
Computer expenses	9,570	13,210
Conveyance expenses	51,938	47,332
Electric & water expenses	47,535	33,928
Motor cycle/Scooter expenses	80,875	68,438
Office expenses	126,162	195,498
Postage expenses	20,250	13,703
Printing & Stationery expenses	89,473	136,020
Rent expenses	462,353	438,530
Audit Fee	7,500	7,500
Preliminary Exp. Written off	0	34,400
Travelling expenses	100,332	168,449
Lorry GPS	39,941	0
Legal Exp,	10,000	0
Charity & Donation	255,000	0
	<u>3,898,878</u>	<u>3,661,145</u>



ARC TRANSLOGISTIC INDIA PRIVATE LIMITED
A-105, Sangam Colony, Road No. 14, VKI Area , Jaipur

Notes forming part of accounts as at 31st March, 2013

A Significant Accounting Policies :

1. Basis of Accounting

The accounts have been prepared on historical cost convention and on the basis of going concern with revenues recognized accounted on accrual basis.

2. Recognition of Income and Expenditure

The assessee follows the accrual basis of accounting

3. Valuation of inventories

Not applicable, since there is no stock transaction in transport business

4. Depreciation

Depreciation is provided on 'written down value' at the rate and in the manner specified in Companies Act, 1961.

5. Contingent Liabilities

Assesses has not informed about any contingent liability as on date

B. Notes on Accounts:

1. In the opinion of the assessee the Current Assets, Loans & Advances are approximately of the value stated and realized in the ordinary course of business. The Provisions for all known liabilities are adequate.

2. Sundry debtors, sundry creditors are subject to confirmation and reconciliation. Consequential adjustment thereof, if any will be given effect in to the books of accounts in the year of such adjustment.

3. Earning of foreign exchange – NIL.

4. Expenditure in foreign currency –NIL.

A& per our separate report of even date attached

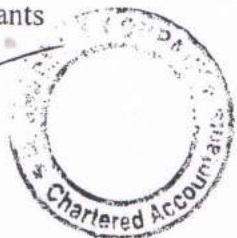
For: M. SHARMA & COMPANY

Chartered Accountants

Madhu
(Madhu Sharma)

Proprietor

FRN: 134605W



For ARC TRANSLOGISTIC INDIA PVT. LTD.

Ramesh Kumar Sharma
(Ramesh Kumar Sharma)

Sunita Ramchandra
(Sunita Ramchandra)

Details of Notes forming part of the Financial Statements

Trade Receivable	As at	As at	As at	As at
	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2012
	Rs.	Rs.	Rs.	Rs.
	More Than Six Month	Others	More Than Six Month	Others
Biogenitic Drugs Pvt. Ltd.		0		294,663
Advance Enterprises		0		8,500
Chetak Logistics Ltd.		0		4,000
JVS Foods Pvt. Ltd.		0		42,990
S.B. Steels	3,000	0		3,000
Flora-O-Foods		(5,141,632)		4,587,590
Genus Innovation Ltd.		3,452,784		1,019,319
Genus Power Infr. Ltd.		17,357,577	560,517	9,467,494
Jaipur Steel Strips Pvt. Ltd.		0		11,250
M.P. Agrotonic Ltd.		0		147,232
Riddhi Sidhi Innovation Pvt. Ltd.	21,000	44,000		85,300
RMC Switch Gears Ltd.		5,340,650		2,450,774
Rohan Builders India Pvt. Ltd.	33,000	0	33,000	0
Veto Switch Gears & Cables Pvt. Ltd.		418,650		288,677
Safeco Logistics Ltd.		0		18,000
TCI		157,850		10,780
Aggarwal Packers & Movers		19,430		0
Ajit Nath Merchants P.Ltd		56,100		0
Dinesh Road Lines		3,000		0
Economic Transport Organisation Ltd.		7,000		0
Charbhuj Industries		10,700		0
Jhanu Logistic Ltd.		21,000		0
JVS Eximport	22,000	44,980		0
North Eastern Sales Corporation		339,300		0
Srishthi Construction Ltd.		5,000		0
Super Safe Logistic India P Ltd.		3,500		0
Swastik Roadways		268,000		0
Tirupati Road Carriers		23,500		0
Vijay Transport Co.		10,500		0
Sri Vinayaka Container Carrier		141,000		0
V.S Enterprises		7,200		0
Delhi Golden Carrier		24,000		0
Vishnu Transport		7,500		0
Vista Forti Foods Pvt. Ltd.	22,000	0		0
PRM Power Projects Pvt. Ltd.		672,500		0
	<u>101,000</u>	<u>23,294,089</u>	<u>593,517</u>	<u>18,439,569</u>

