

M. SHARMA & COMPANY

Chartered Accountants

B-302, Swastik Resi., Kumbhariya, Surat-395010 (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 2014 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 ,2014
 2. In the case of Profit & Loss account of the loss of the company for the year ended on that date.

Place : Surat
Dated: 28/08/2014

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 , 2014.

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. and (CC) from Indian Overseas Bank of Sum of Rs.7490808/- and unsecured loan of Rs.2812333/- 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 made allotment of 290000 shares @ of Rs.10 each to the following parties.

1) Mr. Ramesh Kr. Sharma	203000 shares @ 10 each = 2030000
2) Smt. Sunita Ramchandra	43500 shares @ 10 each = 435000
3) Smt. Sharda Ramchandra	43500 shares @ 10 each = 435000

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: 28/08/2014

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

Profit and Loss statement for the year ended 31st March, 2014

Particulars	Note	As at March31,	As at March31,
I. Revenue from operations	13	168,693,960	132,432,695
II. Other Income	14	1,249,629	3,255
III. Total Revenue (I + II)		<u>169,943,589</u>	<u>132,435,950</u>
IV. Expenses:			
Operational Expenses	15	157,564,209	121,164,370
Employee benefit expense	16	2,731,937	2,048,012
Financial costs	17	773,823	1,058,839
Depreciation and amortization expense	8	2,942,879	5,141,785
Other expenses	18	4,233,162	3,898,878
Total Expenses		<u>168,246,010</u>	<u>133,311,884</u>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	1,697,579	(875,934)
VI. Exceptional Items			0
VII. Profit before extraordinary items and tax (V - VI)		1,697,579	(875,934)
VIII. Extraordinary Items			0
IX. Profit before tax (VII - VIII)		<u>1,697,579</u>	<u>(875,934)</u>
X. Tax expense:			
(1) Current tax		561,248	312,914
(2) Deferred tax		(2,585)	(530,144)
XI. Profit(Loss) from the period from continuing operations	(IX-X)	1,138,916	(658,704)
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)		<u>1,138,916</u>	<u>(658,704)</u>
XVI. Earning per equity share:			
(1) Basic		3.80	(65.87)
(2) Diluted			

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

For: M. SHARMA & COMPANY
Chartered Accountants

For: ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

Madhu
(Madhu Sharma)
Proprietor
Mem. No. 414355
F.R.No. 134605W
Place : Jaipur
Date : 28/3/2014



R. Sharma
(Ramesh Kr. Sharma)
(DIRECTOR)

सुनीता
(Sunita Ramchandra)
(DIRECTOR)

ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

A-105, Sangam Colony Road No.-14

VKI Area, Jaipur

Balance Sheet as at 31st March, 2014

Particulars	Note No	As at March31, 2014 Rs.	As at March31, 2013 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	3,000,000	100,000
(b) Reserves and Surplus	2	1,367,267	218,498
(C) Defered Tax Liability	3	0	0
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	10,303,141	15,257,230
(4) Current Liabilities			
(a) Short-term borrowings	5	519,580	1,533,677
(b) Trade payables	6	20,878,196	15,211,824
(c) Other current liabilities	7	1,396,172	1,092,585
Total		37,464,356	33,413,814
II.Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	8	3,797,715	7,937,090
(b) Non-current investments			
(c) Deferred tax assets (net)		136,646	134,061
(d) Long term loans and advances	9	913,211	1,021,489
(2) Current assets			
(c) Trade receivables	10	31,130,109	23,395,089
(d) Cash and cash equivalents	11	947,805	414,548
(e) Short-term loans and advances	12	538,870	511,537
Total		37,464,356	33,413,814

See accompanying notes forming part of the financial statements

As per our report of even date

For: M. SHARMA & COMPANY

Chartered Accountants

For: ARC TRANSLOGISTIC INDIA PRIVATE LIMITED

(Madhu Sharma)
Proprietor

Mem. No. 414355

F.R.No. 134605W

Place : Jaipur

Date : 28/8/2014



(Ramesh Kr. Sharma)
(DIRECTOR)

(Sunita Ramchandra)
(DIRECTOR)

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, 2014 Rs.	As at March 31, 2013 Rs.
<u>Authorised Capital</u> 1000000 Shares @ Rs. 10/- each share	10,000,000	500,000
<u>Issued and Subscribed Capital</u> 300000 Shares @ Rs. 10/- each share	3,000,000	100,000

2 Reserve and Surplus

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
Balance of Profit & Loss A/c	1,367,267	218,498
	<u>1,367,267</u>	<u>218,498</u>

3 Deferred Tax Liability

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
WDV as per Companies Act	3,797,715	7,937,090
WDV as per Income Tax Act	4,218,812	8,350,222
Difference	(421,097)	(413,132)
Liability Provided @ 32.45% on difference	<u>(136,646)</u>	<u>(134,061)</u>

4 Long-term borrowings

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
<u>Secured Loans (Against Hypothecation of Trucks)</u>		
HDFC Bank Ltd.	1,602,382	5,131,232
Sunderam Finance Ltd.	950,641	2,145,987
<u>Secured Loans (Against Book Debts)</u>		
Indian Overseas Bank (CC A/c)	4,937,785	0
	<u>7,490,808</u>	<u>7,277,219</u>

Unsecured Loans- From Directors

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
Ramesh Kumar Sharma	2,685,289	7,870,011
Sharda Devi	103,374	50,000
Sunita Devi	23,670	60,000
	<u>2,812,333</u>	<u>7,980,011</u>

5 Short-term borrowings

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
Ramesh Kumar Sharma-Salary A/c	32,500	646,633
Sharda Devi-Salary A/c	297,080	488,374
Sunita Devi- Salary A/c	190,000	398,670
	<u>519,580</u>	<u>1,533,677</u>

6 Trade Payables

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
Misc. Lorry Hire Payables (Less than Six Month)	20,878,196	15,211,824
	<u>20,878,196</u>	<u>15,211,824</u>

7 Other Current Liabilities

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
TDS Payable	63,708	77,773
Expenses Payable	252,468	230,654
Salary Payable	198,334	145,269
Provision for Taxation	874,162	631,389
Audit Fees Payable	7,500	7,500
	<u>1,396,172</u>	<u>1,092,585</u>

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8 Fixed Assets

	Gross Block			Depreciation				Net Block		
	As at March 31,2013	Additions	Deductions	As at March 31,2014	As at March 31,2013	For the Year	Deductions	As at March 31,2014	As at March 31,2014	As at March 31,2013
Trucks	13520767	0	3810250	9710517	5906325	2856658	2483304	6279680	3430837	7614444
Computers	71100	13500	0	84600	40282	14894	0	55176	29424	30818
Furniture & Fixture	79140	25850	0	104990	20525	14624	0	35149	69841	58615
Mobiles	98795	10200	0	108995	12330	13826	0	26156	82839	86465
Invertors & battey	25000	10800	0	35800	2258	3554	0	5812	29988	22742
M.cycle/scooty	143960	0	0	143960	19952	32106	0	52058	91902	124008
TV	0	5000	0	5000	0	332	0	332	4668	0
Air-Conditionor	0	62500	0	62500	0	6669	0	6669	55831	0
Office Equipments	0	2600	0	2600	0	216	0	216	2384	0
	<u>13938762</u>	<u>130450</u>	<u>3810250</u>	<u>10258962</u>	<u>6001672</u>	<u>2942879</u>	<u>2483304</u>	<u>6461247</u>	<u>3797715</u>	<u>7937090</u>
Previous Year	13690897	247865	0	13938762	859887	5141785	0	6001672	7937090	12831010

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9 Long Term Loans and Advances

	As at March 31, 2014	As at March 31, 2013
Advance Income Tax	Rs. 610,000	Rs. 710,000
TDS-By Parties	303,211	311,489
	<u>913,211</u>	<u>1,021,489</u>

10 Trade Receivables

(un Secured, considered good)

	As at March 31, 2014	As at March 31, 2013
More than Six Months	Rs. 686,205	Rs. 101,000
Others	30,443,904	23,294,089
	<u>31,130,109</u>	<u>23,395,089</u>

11 Cash & Cash Equivalents

	As at March 31, 2014	As at March 31, 2013
Cash In Hand	Rs. 330,100	Rs. 147,414
Balances With Bank		
In Current Account	311,605	267,134
In Fix Deposit	306,100	
	<u>947,805</u>	<u>414,548</u>

12 Short Term Loans and Advances

	As at March 31, 2014	As at March 31, 2013
Salary Advance	Rs. 249,199	Rs. 161,185
Prepaid Expenses	276,070	350,352
Interest Accrued	13,601	0
	<u>538,870</u>	<u>511,537</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

Freight Received (inclusive of Hamali)
Own Lorry Freight

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	150,468,122	113,326,628
	18,225,838	19,106,067
	<u>168,693,960</u>	<u>132,432,695</u>

14 Other Income

Late Delivery Charges Recd.
Profit on Sale of Trucks
Interest

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	6,500	3,255
	1,223,054	0
	20,075	0
	<u>1,249,629</u>	<u>3,255</u>

15 Operation Expenses

Lorry Hire
Hamali Expenses
Own Lorry Expenses

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	139,859,544	104,425,100
	185,280	256,000
	17,519,385	16,483,270
	<u>157,564,209</u>	<u>121,164,370</u>

16 Employee benefit expenses

Salary
Incentive
Staff Welfare Expenses

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	2,236,364	1,687,865
	195,261	170,433
	300,312	189,714
	<u>2,731,937</u>	<u>2,048,012</u>

17 Financial costs

Interest to Bank
Interest to Others
Bank Charges

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	578,023	736,923
	183,515	313,926
	12,285	7,990
	<u>773,823</u>	<u>1,058,839</u>

18 Other expenses

Telephone expenses
Car Repair & Maintinace
Car Running expenses
Director's Remmuration
Computer expenses
Conveyance expenses
Electric & water expenses
Motor cycle/Scooter expenses
Office expenses
Postage expenses
Printing & Stationery expenses
Rent expenses
Audit Fee
Travelling expenses
Lorry GPS
Legal and Professional Exp.
ROC Expenses
Charity & Donation
Advertisement Exp.
Licence Fee

	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
	130,186	119,265
	99,236	178,188
	193,615	200,496
	2,100,000	2,100,000
	11,810	9,570
	50,633	51,938
	53,125	47,535
	125,929	80,875
	124,897	126,162
	15,681	20,250
	208,149	89,473
	578,705	462,353
	7,500	7,500
	130,297	100,332
	64,899	39,941
	104,000	10,000
	192,500	0
	0	255,000
	32,000	0
	10,000	0
	<u>4,233,162</u>	<u>3,898,878</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, 2014

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

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

Assessee 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

As per our separate report of even date attached

For: M. Sharma & Company
Chartered Accountants

For ARC TRANSLOGISTIC INDIA PVT. LTD.

Madhu
(Madhu Sharma)
Proprietor
FRN: 134605W
Mem. No. 414355



Ramesh Kumar Sharma
(Ramesh Kumar Sharma)
(Director)

Sunita Ramchandra
(Sunita Ramchandra)
(Director)

Details of Notes forming part of the Financial Statements

Trade Receivable	As at	As at	As at	As at
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	Rs.	Rs.	Rs.	Rs.
	Others	More Than Six Month	Others	More Than Six Month
Aggarwal Packers & Movers	-	-	19430	-
Ajit Nath Merchants P.Ltd	-	56,100	56100	-
Base Corporation Ltd.	314,812	-	-	-
Charbhujia Industries	-	5,500	10700	-
C & S Electric Ltd.	2,478,958	-	-	-
Delhi Golden Carrier	-	-	24000	-
Dinesh Road Lines	-	-	3000	-
Dada Jeetu Transport	7,000	-	-	-
DGFC Pvt. Ltd.	45,000	-	-	-
Economic Transport Organisation Ltd.	-	-	7000	-
Flora-O-Foods	2,033,354	-	(5141632)	-
Fine Metal & Electricals	3,249	-	-	-
Genus Innovation Ltd.	2,633,882	-	3452784	-
Genus Power Infr. Ltd.	17,154,467	507,605	17357577	-
Goel Road Carriers	6,500	-	-	-
Hindustan Roadways	55,200	-	-	-
Haryana King Roadways	91,200	-	-	-
Jhanu Logistic Ltd.	-	-	21000	-
JVS Eximport	-	44,000	44980	22000
JVS Foods Pvt. Ltd.	589,608	-	-	-
Kashmiri Lal Construction Pvt. Ltd	18,000	-	-	-
Kali Transport Ltd.	42,500	-	-	-
Maha Punjab Roadways	16,650	-	-	-
MP Agrotonic Ltd.	15,400	-	-	-
North Eastern Sales Corporation	6,300	-	339300	-
Om Packers	12,000	-	-	-
PRM Power Projects Pvt. Ltd.	-	-	672500	-
Parvesh Golden Tpt.	23,200	-	-	-
Padmavati infrastructure	13,000	-	-	-
Poly Medicure	193,300	-	-	-
PSR Highway Carrier of India	20,000	-	-	-
Public Carrier of India	1,000	-	-	-
Riddhi Sidhi Innovation Pvt. Ltd.	-	15,000	44000	21000
RMC Switch Gears Ltd.	-	-	5340650	-
Rohan Builders India Pvt. Ltd.	4,106,144	-	-	-
S.B. Steels	-	33,000	-	33000
Sri Vinayaka Container Carrier	31,600	3,000	141000	3000
Srishthi Construction Ltd.	-	-	5000	-
Super Safe Logistic India P Ltd.	-	-	3500	-
Swastik Roadways	15,000	-	268000	-
Shree Shyam Road Carrier	16,000	-	-	-
Sugam Parivahan Pvt. Ltd.	56,000	-	-	-
SKF Bering Pvt. Ltd.	9,500	-	-	-
TCI Freight	15,890	-	157850	-
Tirupati Road Carriers	-	-	23500	-
Tirupati Balaji Frieght Carrier P. Ltd.	84,350	-	-	-
Veto Switch Gears & Cables Pvt. Ltd.	333,840	-	418650	-
Vijay Transport Co.	1,000	-	10500	-
Vishnu Transport	-	-	7500	-
Vista Forti Foods Pvt. Ltd.	-	22,000	-	22000
VS Enterprise	-	-	7200	-
	30,443,904	686,205	23294089	101000

