

CHARTERED LOGISTICS LTD.



**19th
Annual Report
2013-14**



Company Information

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Mohib N. Khericha	(Chairman)
Mr. Lalit Kumar Gandhi	(Managing Director)
Mr. Ajay .C .Shah	(Independent Director)
Mr. Sandeep Shah	(Independent Director)
Mr. Harsh Gandhi	(Executive director)

CHIEF FINANCIAL OFFICER

Ms. Nisha Makwana

COMPANY SECRETARY

Ms. Anamika Jajoo

AUDITORS

M/s. Vidya & Co
Chartered Accountants
325, Galaxy Mall, Vimanagar,
S.M. Road, Ahmedabad – 380015

SHARE TRANSFER AGENT

Sharepro Services (India) Pvt. Ltd,
2nd Floor, Sakinaka Telephone Exchange,
13AB, Samhita Warehousing Com. Lane,
off. Andheri –Kurla Road,
Sakinaka, Andheri (E)
Mumbai-400072

BANKERS

HDFC Bank Limited
Kotak Mahindra Bank Limited

ISIN NO- INE558F01026

CIN – L74140GJ1995PLCO26351

WEBSITE : www.chartered.co.in

REGISTERED OFFICE

C-1, Jay Tower, Ankur Commercial Center,
Naranpura, Ahmedabad-380013

CORPORATE OFFICE

6, Chartered House, Sanand Road,
Sarkhej, Ahmedabad-382210

FORWARD-LOOKING STATEMENTS

This annual report contains forward looking information so that investors are able to comprehend company's prospects and take informed investment decisions. It basically addresses expectations or projections about the future identified by words like 'plans,' 'expects,' 'will,' 'anticipates,' believes,' 'intends,' 'seen to be' /projects,' estimates' and so on. The achievement of results is subject to risks uncertainties and even less than accurate assumptions . All statements are forward looking statements. Since these are based on certain assumptions and expectations of future events the company cannot guarantee that this are accurate or will be realized. The company's actual result, performance or achievements could thus differ from those projected in any forward looking statements. The company undertakes no obligation to publicly update any forward looking statements, whether as a result of new, information future events or otherwise.

CONTENTS	PAGE NO.
Company Information	1
Notice	2
Director's Report	8
Report on Corporate Governance	13
Management Discussion & Analysis	24
CEO/CFO Certification	27
Auditor's Report	28
Auditor's Certification on Corp. Gov.	33
Balance Sheet	34
Profit & Loss Account	35
Cash Flow Statement	36
Notes to Accounts	37
Significant Accounting Policies	46
E-Proxy	52



NOTICE

Notice is hereby given that the 19th Annual General Meeting (AGM) of Members of Chartered Logistics Limited will be held on Wednesday, August 20, 2014 at 11.30 A.M. at the Registered Office of the Company at C-1, Jay Tower, 4th Floor, Ankur Commercial centre, Naranpura, Ahmedabad-380013 to transact the following business.

ORDINARY BUSINESS:

1. Adoption of Financial statements

To receive, consider and adopt the financial statements of the Company for the year ended March 31st, 2014 including the Audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the Report of Directors and the Auditors thereon.

2. Appointment of Director

To appoint a Director in place of Mr. Lalit Kumar Gandhi who retires by rotation and being eligible, offers himself for re-appointment.

3. Appointment of Auditors

To re-appoint Auditors of the company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution thereof:

Resolved that, pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s Vidya & Co. Chartered Accountants (Registration No 308022E), Ahmedabad be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the next Annual General Meeting and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors, and such remuneration may be paid as agreed upon between the auditors and the Board of Directors.

SPECIAL BUSINESS:

4. Appointment of Mr. Mohib Nominbhai Khericha as an Independent Director

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

Resolved that, pursuant to the provisions of Sections 149,152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under read with Schedule IV to the Companies Act, 2013, Mr. Mohib Nominbhai Khericha director and non-executive chairman of the company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Mohib Nominbhai Khericha as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 not liable to retire by rotation.



5. Appointment of Mr. Ajaybhai Chinubhai Shah as an Independent Director

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

Resolved that, pursuant to the provisions of Sections 149,152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under read with schedule IV to the Companies Act, 2013, Mr. Ajay Chinubhai Shah director of the company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Ajay Chinubhai Shah as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 not liable to retire by rotation.

**For and on behalf of Board of Directors
Sd/-**

Place: **Ahmedabad**

Date: **May 30, 2014**

Lalit Kumar Gandhi

(Managing Director)

Notes:

- 1 The statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
- 2 A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and on a poll, to vote instead of himself. A proxy need not be member of the company A proxy in order to be effective must be lodged at the registered office of the company at least 48 hours before the commencement of the meeting.
- 3 Members/ proxies should bring attendance slip, duly filled in, for attending the meeting.
- 4 Members / proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting as copies of Annual Report will not be distributed at the Annual General Meeting.
- 5 The register of Members and share transfer books of the Company will remain closed **from August 18, 2014 to August 20, 2014 (both days inclusive)** for the purpose of this Annual General meeting.
- 6 Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their questions to the company so as to reach at least 7 days before the date of the meeting, so that the information required will be made available at the meeting, to the best extent possible.
- 7 Members holding shares in physical form are requested to intimate Registrar and Share Transfer Agent of the company i.e. M/s. Sharepro Services (India) Pvt. Ltd., Mumbai, of change, if any, in their registered address along with pin code. Members holding shares in electronic form may update such details with their respective Depository Participant.



- 8 The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- 9 The Register of contracts or arrangements in which Directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
- 10 The company requests all members to update your e-mail addresses with your Depository Participants to enable us to send you quarterly and annual reports and other communications via e-mail.
- 11 The notice of the 19th AGM and the Annual Report of the company for the year 2014 will be available on the company's website at www.chartered.co.in. The physical copies of the aforesaid documents shall also be available at the registered office of the company for inspection during normal business hours on working days.
- 12 Additional informations pursuant to clause 49 of the Listing Agreement with the stock Exchange in respect of Directors seeking appointment/re-appointment at the AGM are furnished and forms a part of the Notice. The directors have furnished the requisite consents/declarations for their appointment and re-appointment.
- 13 The Securities and Exchange Board of India (SEBI) has mandated the submission of the pan by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their depository participants. Members holding shares in physical form shall submit their PAN details to the Company.
- 14 All documents referred to in the notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of AGM.

Explanatory Statements pursuant to section 102(1) of the Companies Act, 2013

Item no. 4

Mr. Mohib Nominbhai Khericha is a non-executive Chairman and Independent director of the Company. He joined the Board of Directors in October, 1995. Mr. Mohib Nominbhai Khericha retires by rotation at this AGM under the provisions of erstwhile Companies Act, 1956. In terms of section 149 and any other applicable provisions of the Companies Act, 2013. Mr. Mohib Nominbhai Khericha being eligible and seeking re-appointment is proposed to be appointed as an Independent Director for a term of 5 years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr. Mohib Nominbhai Khericha for the office of the Independent Director to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

The Company has received from Mr. Mohib Nominbhai Khericha (i) Consent to act as director in form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013.



The resolution seeks approval of members for the appointment of Mr. Mohib Nominbhai Khericha as an Independent Director of the Company up to March 31st, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act,2013 and the Rules made there under.

He is not liable to retire by rotation.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Mohib Nominbhai Khericha as an Independent Director.

No director, Key managerial personnel or their relatives, except Mr.Mohib Nominbhai Khericha to whom the resolution relates, is interested or concerned with the resolution.

The Board recommends the resolution set forth in item no. 4 for the approval of members

Item no. 5

Mr. Ajaybhai Chinubhai Shah is an Independent director of the Company. He joined the Board of Directors in September,2007, retires by rotation at this Annual General Meeting under the provisions of erstwhile Companies Act,1956 .In terms of section 149 and any other applicable provisions of the Companies Act,2013. Mr. Ajaybhai Chinubhai Shah being eligible and seeking re-appointment is proposed to be appointed as an Independent Director for a term of 5 years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013 from a member proposing the candidature of Ajaybhai Chinubhai Shah for the office of the Independent Director to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

The Company has received from Mr. Ajaybhai Chinubhai Shah (i) Consent to act as director in form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub –section (2) of Section 164 of the Companies Act,2013 ,and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Companies Act,2013.

The resolution seeks approval of members for the appointment of Mr. Ajaybhai Chinubhai Shah as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act,2013 and the Rules made there under.

He is not liable to retire by rotation.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Ajaybhai Chinubhai Shah as an Independent Director.

No director, Key managerial personnel or their relatives, except Mr. Ajaybhai Chinubhai to whom the resolution relates, is interested or concerned with the resolution.

The Board recommends the resolution set forth in item no. 5 for the approval of members.



Additional informations on directors recommended for appointment/re-appointment as required under clause 49 of the Listing Agreement

Sr. No.	Nature of Information	Item No. 2	Item No.4	Item No. 5
1	Name	Mr. Lalit Kumar Gandhi	Mr.Mohib Nominbhai Shah	Mr.Ajaybhai Chinubhai Khericha
2	Age	53 years	62 years	60 years
3	Qualification	B.Com	B. Com, FCA	B.Com,L.L.B
4	Expertise in specific functional area	Transport,Finance, Marketing & Management	Finance	Finance & Banking
5	Director of Company Since (date)	16/06/1995	12/10/1995	20/09/2007
6	Directorship in other	Nil	1. Chartered Capital and Investment Limited 2. Mazda Limited 3. Photoquip (India) Limited 4. Kirloskar power Build Gears Limited 5. Ravindu Motors Private Limited 6. Vijay Farms Private Limited 7. TD Power System Limited 8. DF Power systems private Limited 9. TD Power Systems (USA) Inc. 10. TD Power Systems japan Limited 11. Saphire Finman Services Private Limited 12. Sri Vijayadurga Investments and Agencies Private Limited	Anjani Synthetics Ltd.



Sr. No.	Nature of Information	Item No. 2	Item No.4	Item No. 5
7	Member /Chairman of Committees of Board	Nil Except Mr. Lalit Kumar Gandhi himself, none of the remaining directors is concerned or interested in the Resolution	13. Abhiman Trading Company Pvt. Ltd. 14. Vijay Kirti Investments and Agencies Pvt. Ltd. 15. Vijayjyothi Investments and Agencies Pvt. Ltd. 16. Vimraj Investments Pvt. Ltd. 17. Laburnum Chemicals Pvt. Ltd. Nil Except Mr. Mohib Nominbhai Khericha himself, none of the remaining directors is concerned or interested in the Resolution	Nil Except Mr. Ajaybhai Chinubhai Shah himself, none of the remaining directors is concerned or interested in the Resolution
8	Nature of Directors' Interest, in any of the resolutions	Except Mr. Lalit Kumar Gandhi himself, none of the remaining directors is concerned or interested in the Resolution	Except Mr. Mohib Nominbhai Khericha himself, none of the remaining directors is concerned or interested in the Resolution	Except Mr. Ajaybhai Chinubhai Shah himself, none of the remaining directors is concerned or interested in the Resolution
9	Number of shares held in the Company	18538239	54000	Nil

For and on behalf of Board of Directors
Sd/-

Place: **Ahmedabad**
Date: **May 30, 2014**

Lalit Kumar Gandhi
(Managing Director)



DIRECTORS' REPORT

To,

The Shareholders,
Chartered Logistics Limited

Yours Directors are pleased to present the 19th Annual Report together with the Audited Accounts of the Company for the year ended on 31ST March, 2014.

1. FINANCIAL RESULTS:

The Financial results for the year ended 31ST March, 2014 are summarized as under:

(Rs. in lakhs)

	31/03/2014	31/03/2013
Total Income	16393.43	25269.23
Profit (Loss) before Interest, depreciation and taxes	1352.64	2825.73
Less : Interest & Finance Charges	1168.86	1258.66
Less : Depreciation	1092.86	1140.16
Profit Before Tax	(909.08)	426.91
Less : Payment/ Provision for Tax and Others	0.00	82.44
Less: Deferred Tax Credit	-85.45	2.83
Add: Mat credit entitlement	0.00	(59.75)
Profit (Loss) After Tax	(823.63)	281.89
Excess/(Short) Provision of earlier year	0.00	0.00
Net Profit	(823.63)	281.89

2. DIVIDEND

The Company has incurred substantial loss in operations during the year due to which the Board of Directors do not recommend any dividend for the year 2013-14.

3. OPERATIONS

Your company's operational and financial performance has declined during the financial year 2013-14 as compared to previous year due to economy slowdown resulting decrease in sales, and other circumstances beyond the control of the company. During the year company has reported total income of Rs. **16393.43** Lakhs against total income of Rs. **25269.23** lakhs in the previous year. Profit before tax (PBT) has been reported at Rs. **(909.08)** lakhs in the current year as against Profit



before tax (PBT) of Rs. **426.91** lakhs .in the previous year. The net profit after tax for the current year 2013-14 is (**823.63**) lakhs as compared to **281.89** lakhs in the previous year.

4. BUSINESS STRATEGY

We have introduced a number of strategic initiatives during the year to spur overall growth and productivity in the Company. The following are some of the broad areas covered by these initiatives:

- **Cost optimization:** A series of measures have been initiated to yield high levels of cost optimization. These include focusing on location Optimization, deploying people in the right jobs and eliminating unnecessary costs.
- **Enhancing sales productivity:** We are focusing on reinvigorating our sales teams and enabling them with better systems, training and processes. We have made all branches of the company online located at the various locations of the country. This help us in getting the MIS Report daily from all branches which enable us to focus and improving the sales productivity of all branches thereby winning large revenue for the company
- **Improving Service effectiveness:** Our delivery services have always been of a high order, and we want to re-focus on strengthening it further.

5. FUTURE OUTLOOK

Your company is striving hard and is confident of growth prospects going forward. The steps which are being taken by the government for developing infrastructure for logistics and the increasing demand and importance of logistic services will also help the company in achieving its business goals which will not only increase our profit margins but also will enhance the value for our stakeholders.

6. STOCK EXCHANGES:

The company's shares are listed on Bombay Stock Exchange Limited (BSE) the company has paid necessary listing fees for the year 2013-2014.

7. DIRECTORS:

As per the provisions of the Companies Act, 2013 Mr. Lalit Kumar Gandhi will retire in the ensuing AGM and offers himself for re-appointment. The Board of Directors recommends his re-appointment.

The Companies Act, 2013 provides for appointment of independent directors. Sub-section (10) of section 149 of the Companies Act, 2013 provides that independent directors shall hold office for a term of up to 5 consecutive years on the Board of a company and shall be eligible for re-appointment on passing a special resolution by the shareholders of the company.

Sub-section (11) states that no independent director shall be eligible for more than 2 consecutive term of five years and any tenure of an independent director on the date of commencement of this act (effective April 1,2014) shall not be counted as a term under the above provisions. Sub section (13) states that the provisions of retirement by rotation as defined in sub section (6) and (7) of section 152 of the act shall not apply to such independent directors.



Our Non-executive independent directors were appointed as directors liable to retire by rotation under the provisions of erstwhile Companies Act, 1956. The Board of directors has been advised that our non-executive independent directors would continue to serve the term pursuant to which they were appointed. Therefore, Mr. Mohib Nominbhai Khericha and Mr. Ajaybhai Chinubhai Shah the non-executive independent directors of the company who retires at the ensuing AGM and being eligible offers themselves for re-appointment be considered by the shareholders for re-appointment for a term of up to 5 consecutive years.

Mr. Sandeep Motilal Shah Non-executive independent director who do not complete his term at the ensuing AGM, will continue to hold office till the expiry of his term and thereafter would be eligible for re-appointment for a fixed term in accordance with the Companies Act, 2013

8. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 217 (2AA) of the Companies Act, 1956, the Directors would like to state that:

1. The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 (to the extent notified), the Companies Act, 1956 (to the extent applicable), and guidelines issued by SEBI. There are no material departures from prescribed accounting standards in the adoption of these standards.
2. The Board of Directors accepts responsibility for the integrity and objectivity of these financial statements. The accounting policies used in the preparation of financial statements have been consistently applied except as otherwise stated in the notes accompanying the respective tables. The estimates and judgments related to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs and profits for the year.;
3. The Board of Directors has taken sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (to the extent notified), to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on a going concern basis.
5. The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating efficiently.
6. The directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating efficiently.

9. FIXED DEPOSITS:

During the year Company has not accepted any deposits under Section 58-A of the Companies Act, 1956.



10. INSURANCE:

All the properties of the company have been adequately insured.

11. SUBSIDIARY:

The company has no subsidiary company.

12. MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of Clause 49 of the Listing Agreement, the Management's discussion and analysis is set out in this Annual Report.

13. CORPORATE GOVERNANCE REPORT

In terms of the provisions of Clause 49 of the Listing Agreement, the Report on Corporate Governance is set out in this Annual Report.

14. PARTICULARS REQUIRED TO BE FURNISHED BY THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:

The Company has no activities relating to conservation of energy or technology absorption. There has been no foreign exchange earning or outgo during the year under review.

15. PARTICULARS OF EMPLOYEES COVERED UNDER THE (PARTICULARS OF EMPLOYEES) RULES, 1975:

The company does not have any employee in the category as specified under Section 217 (2A) of the Companies Act, 1956.

16. AUDITORS AND AUDITORS' REPORT:

The auditors M/S Vidya & Co. Chartered Accountants, Ahmedabad retires at the ensuing AGM and have confirmed their eligibility and willingness to accept office, if re-appointed.

The notes to the accounts referred to in the Auditors Reports are self explanatory, and, therefore do not call for any further comments.

17. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, all companies having net worth of Rs.500 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs.5 crore or more during any financial year will be required to constitute a corporate social responsibility (CSR) committee of the Board of Directors and spend at least 2% of its average profits of immediately 3 preceding years on such policy every year.

The provisions of corporate social Responsibility are not applicable on the company and we are not required to constitute the corporate social responsibility (CSR) committee.

18. GREEN INITIATIVES

As per the Green initiative of Ministry of Corporate affairs (MCA) Electronic copies of the Annual Report 2014 and Notice of the 19th AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2014 and the Notice of the 19th AGM



are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

19. ACKNOWLEDGEMENTS

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity; cooperation and support. We also thank the Government of India, particularly the Ministry of Corporate Affairs, the Income Tax Department and other government agencies for their support, and look forward to their continued support in the future.

For and on behalf of Board of Directors
Sd/-

Place: **Ahmedabad**
Date: **May 30, 2014**

Lalit Kumar Gandhi
(Managing Director)



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing organizational wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values while meeting the stakeholder's expectations. It is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our shareholders.

Your company is committed to the philosophy of good corporate governance. The Company's policy on Corporate Governance envisages the assignments of high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, stakeholders, creditors, clients, bankers and other business places with due emphasis on regulatory compliance.

The Company believes that transparency, fairness, accountability and social responsibilities are central to the Company and its board of Directors. Company believes that from the above principle of the Corporate Governance, the Company is protecting the interest of the Shareholders.

The Company has followed all the mandatory requirement of clause 49 of Listing Agreement with spirit of corporate governance and is looking forward positively to follow non mandatory provisions. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

Recently, the Securities and Exchange Board of India (SEBI) sought to amend the equity listing agreement to amend the equity listing agreement to bring in additional corporate governance norms for listed companies. These norms provide for stricter disclosures and protection of investors rights. Many of the amendments are effective from 1st October, 2013. The amended norms are aligned with the provisions of Companies Act, 2013 and is aimed to encourage companies to adopt best practices on Corporate governance.

2. CODE OF CONDUCT & ETHICS

As per clause 49 of listing agreement the Company's Board has laid down a code of conduct for all the Board members and senior management of the company. All Board members and senior personnel have affirmed compliances with the code of conduct. A declaration, to this effect, duly signed by Managing Director of the company is attached at the end of this report.

3. BOARD OF DIRECTORS:

A) Composition of Board of Director

The Board comprises of eminent persons with considerable experience in diversified fields. The company's Board is having optimum combination of executive and non executive directors to en-



sure the independent functioning of the Board. Presently there are 5 directors on the Board including 3 independent directors. The chairman of the company is non-executive independent director. None of the directors on the Board is member of more than 10 committees and chairman of more than 5 committees across all companies in which they are directors. All necessary disclosures under section 299 of the companies act, 1956 regarding the directorship have been made by directors. The members on the Board have adequate experience, expertise, skill for efficiently managing the affairs of the company.

The Board of Directors of the company comprises of following Directors:

Name	Category/Designation	No. of outside Directorship and Committee membership/Chairmanship			
		Public Company	Private Company	Committee Membership	Committee Chairmanship
Mr. Mohib N. Khericha	Non Executive Chairman	7	10	Nil	Nil
Mr. Lalit Kumar Gandhi	Promoter & Managing Director	Nil	Nil	Nil	Nil
Mr. Sandeep M Shah	Non Executive Independent Director	Nil	Nil	Nil	Nil
Mr. Ajay C Shah	Non Executive Independent Director	1	Nil	Nil	Nil
Mr. Harsh Gandhi	Executive Director	Nil	2	Nil	Nil

Pursuant to good corporate governance and as per clause 49 of listing agreement the independent directors on the Board:

- Apart from receiving sitting fees if any, directors do not have any material pecuniary relationship with the company, its promoters, directors, senior management and associates which may affect the independence of director.
- Are not related to promoter or person occupying management position at the Board level or at one level below the Board.
- Have not been an executive of the company in the immediately preceding 3 financial years.
- Are not partners or executives or were not partners during the preceding 3 years of the
 - ◆ Statutory audit firm or the internal audit firm that is associated with the company.
 - ◆ Legal firms and consulting firms that may have a material association with the company.
- Are not the substantial shareholders of the company i.e. do not own 2% or more of the shares of the company.



Board compensation and performance appraisal policy

The nomination and remuneration committee determines and recommends to the Board the compensation payable to directors. All Board level compensation is approved by the shareholders and disclosed separately in the financial statements. The nomination and remuneration committee makes yearly appraisal of the performance of the executive directors. The annual compensation of the executive directors is approved by the nomination and remuneration committee within the parameter set by the shareholders at the shareholder's meetings.

The compensation payable to the independent directors is limited to the sitting fees. The performance of the independent directors is reviewed by the Board on annual basis.

Information supplied to the Board

The Board has complete access to all the informations with the company inter-alia the following information are regularly provided to the Board as a part of the agenda papers well in advance of the Board meeting.

- Quarterly results of the company.
- Quarterly reports on receivables and recovery efforts made.
- Minutes of the meetings of the audit committee of the Board.
- Any significant development in human resources.
- Compliance status of various regulatory, statutory or listing requirements and shareholders service such as payment of dividend, share transfer etc.
- Information on recruitment and remuneration of senior officers below the Board level
- Annual operating plans and budgets and updates.
- General notices of interest received from directors

Discussion with independent directors

The Board's policy is to regularly have separate meetings with independent directors, to update them on all business related issues and new initiatives. In addition, our independent director's meet periodically and does not have any of the executive directors or members of the management in attendance.

Materially significant related party transactions

There have been no materially significant related party transactions, monetary transactions or relationships between the Company and directors, the Management or relatives except for those disclosed in the financial statements for the year ended March 31st, 2014.

B) Meetings of the Board

The Board of Directors met 4 times during the financial year 2013-14. Four Board meetings were held during the year ended March 31st, 2014. These were held on 30th May, 2013, 30th September, 2013, 12th November 2013 and 14th February, 2014

The maximum gap between 2 meetings was not more than 3 months. The attendances of the directors of the company at the Board Meeting are as follows:



Director	No. of Meetings		Attended Last AGM
	Held	Attended	
Mr. Lalit Kumar Gandhi	4	4	Yes
Mr. Mohib N. Khericha	4	2	No
Mr. Harsh Gandhi	4	3	Yes
Mr. Ajay C Shah	4	3	Yes
Mr. Sandeep M Shah	4	3	Yes

COMMITTEES OF BOARD

Currently, the Board has 3 committees: the **audit committee, nomination and remuneration committee and stakeholder relationship committee**. All committees consists majority of independent directors. Normally all the committees meet four times a year. Recommendations of the committees are submitted to the Board for approval.

The quorum for meetings is either two members or one third of the members of the committee, whichever is higher.

(i) Audit Committee

Terms of Reference

The Terms of Reference of this committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013, and are as follows:

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.

1) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.

Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:

- Matters required to be 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.
- Any changes in accounting policies and practices.
- Major accounting entries based on exercise of judgment by management.
- Qualifications in draft audit report.
- Significant adjustments arising out of audit.
- The going concern assumption.



- Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- 2) Reviewing, with the management, the quarterly financial statement before submission to the board for approval.
 - 3) Reviewing with the management, external and internal auditors the adequacy of internal control system;
 - 4) Reviewing the adequacy of internal audit function, 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 reviewing with management, Management Discussion and Analysis of financial condition and results of operation.
 - 5) Discussions with internal auditors any significant findings and follow up thereon.
 - 6) Reviewing the findings 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.
 - 7) Discussions with external auditors before the audit commence, about the nature and scope of the audit as well as have post-audit discussions to ascertain any area of concern.
 - 8) Reviewing the Company's financial and risk management policies.
 - 9) To look into the reasons for substantial defaults in the payment to the depositors, debentures holders, shareholders (in case of nonpayment of declared dividends) and creditors.

Composition of Audit Committee

The Audit Committee comprises of following directors

1. Mr. Sandeep M Shah - Chairman
2. Mr. Ajay C Shah - Member
3. Mr. Lalitkumar Gandhi - Member

The Committee met 4 times during the year from 1/4/2013 to 31/03/2014 and the attendances of members of the committee were as follow:

Director	No. of Meetings	
	Held	Attended
Mr. Sandeep M Shah	4	4
Mr. Ajay C Shah	4	4
Mr. Lalit Kumar Gandhi	4	4



Audit Committee report for the year ended March 31st, 2014

The committee has reviewed the internal control over financial reporting put in place to ensure that the accounts of the company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the committee found no material discrepancy or weakness in the Company's internal control over financial reporting.

The committee also reviewed the financial policies of the Company and expressed its satisfaction with the same.

Based on the committee's discussion with the Management and the auditors the committee has recommended the followings to the Board.

- The audited financial statements prepared as per Indian Accounting standards for the year ended March 31st, 2014 is accepted by the Board as a true and fair statement of the financial status of the Company.
- The committee has recommended to the Board the re-appointment M/S Vidya & Co. Chartered Accountants, Ahmedabad as the Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting, and the necessary resolutions for appointing them as auditors be placed before the shareholders.

In conclusion, the committee is sufficiently satisfied that it has complied with its responsibilities as outlined in the audit committee charter.

(ii) **Stakeholders relationship committee:**

As per section 178 of the Companies Act, 2013 and as a measure of Good Corporate Governance and to focus on the shareholders' grievances and towards strengthening investor relations, a Stakeholders relationship Committee has been constituted as a committee of the Board, to redress / minimize the grievance of shareholders/ Investors .

The functions of the committee include:

To specifically look into redressing investors' grievances pertaining to:

- a) Transfer of shares
- b) Dividends
- c) Dematerialization of shares
- d) Replacement of lost/stolen/mutilated share certificates
- e) Any other related issues

The committee comprises of the following Directors namely:

- 1. Mr. Ajay C Shah - Chairman
- 2. Mr. Sandeep M Shah - Member
- 4. Mr. Lalit Kumar Gandhi - Member

The committee met 2 times during the year and all members of the committee were present in all meetings.

Stakeholder's relationship committee report for the year ended March 31st, 2014

During the year under review, no complaint was received from Shareholders/ investors or Stock Exchanges or SEBI.



The committee expresses satisfaction with the Company's performance in dealing with investor grievances, and in its share transfer system.

(iii) **Nomination and Remuneration Committee:**

As per section 178 of the Companies Act, 2013 the Board of Directors of the Company constituted the "Nomination and Remuneration Committee".

Nomination Policy

The nomination policy of the committee is to oversee the company's nomination process for the top level management and specifically to identify, screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM.

Remuneration Policy

The remuneration policy of the committee determines and recommends to the Board, the compensation of the company's executive Directors and senior management including pension rights and any compensation packages, annual increments, incentives, additional perquisites etc.

The key components of the Company's Remuneration policy are:

- Compensation will be a major driver of performance.
- Compensation will be competitive.
- Compensation will be transparent, fair and simple to administer.
- Compensation will be fully legal and tax compliant

The committee met **twice** during the year 2013-14 and the attendance of the members during the meeting was as follows:

Name of member	Status	No of meetings attended
Mr. Sandeep M. Shah	Chairman	2
Mr. Ajay C Shah	Member	2
Mr. Harsh Gandhi	Member	2

Remuneration of Executive Directors

Details of Remuneration paid to Executive and Non Executive Directors during the year 2013-14 are as under:

Sr. No	Name of Director/ Designation	Salary (Amount in Rs.)	Perquisites	Total Remuneration
1	Mr. Lalit Kumar Gandhi (Managing Director)	12,00,000/-	Nil	12,00,000/-
2	Mr. Harsh Kumar Gandhi (Executive Director)	6,00,000/-	Nil	6,00,000/-



Remuneration of Non -Executive Independent Directors

No any remuneration has been given to the non-executive independent director during the year 2013-14

Nomination and Remuneration committee report for the year ended March 31, 2014

During the year, the committee reviewed the performance of all directors and senior level management .The committee also reviewed the compensation policy and believes that the compensation and benefits are adequate to motivate and retain the senior officers of the Company.

(iv). **GENERAL BODY MEETING:**

The location and time of the Annual General Meetings held during the last three years is as follows:

Date	Venue	Time
August 22, 2013	C-1, Jay Tower, 4 th Floor, Ankur Commercial Center, Naranpura, Ahmedabad -380013	11.30 A.M.
September 28 , 2012	C-1, Jay Tower, 4 th Floor, Ankur Commercial Center, Naranpura, Ahmedabad -380013	4.30 P.M.
September 21 , 2011	C-1, Jay Tower, 4 th Floor, Ankur Commercial Center, Naranpura, Ahmedabad -380013	12.30P.M.

(v) **DISCLOSURES:**

There were no transactions of a materially significant nature with the promoters, the directors or the management, their subsidiaries or relatives that may have potential conflict with the interest of the company at large.

Transactions with related parties during the year are disclosed in the notes forming part of accounts in the Annual Report.

There has been no instance of non- compliance, penalties on any matter relating to the capital market and listing.

(vi) **MEANS OF COMMUNICATION:**

Half-yearly report sent to each household of shareholders: No

Quarterly Results-

Which newspapers normally published in :(1) Indian Express (2). Financial Express

Any website, where displayed: www.chartered.co.in

Presentation made to Institutional Investors or to Analyst: No

(vii) **GENERAL INFORMATION FOR SHAREHOLDERS**

- a) **AGM - Date:** Wednesday, August 20, 2014
Time: 11:30 A.M.
Place: C-1, Jay Tower, 4th Floor, Ankur Road, Naranpura, Ahmedabad-380013



The financial year of the company is from April 1, 2013 to March 31st, 2014

- b) Tentative Financial calendar for the financial year 2014-15:
- | | |
|---|---------------------|
| Un-audited financial results for quarter ended June,2014 | By August 14,2014 |
| Un-audited financial results for quarter ended September,2014 | By November 14,2014 |
| Un-audited financial results for quarter ended December,2014 | By February 14,2015 |
| Un-audited financial results for quarter ended March, 2015
along with Audited financial results for the year ended
on March 31,2015 | By May 30, 2015 |
- c) **Dates of Book closure:** August 18, 2014 to August 20 ,2014(both days inclusive) (In connection with the Annual General Meeting)
- d) **Listing of Shares:** The shares of the company are listed on Bombay Stock Exchange. The listing fees for the year 2013-2014 have been paid to the Stock Exchange where the shares of the company are listed.
- e) **Stock Code:** Bombay Stock Exchange: 531977.
- f) **Demat ISIN Number for NSDL and CDSL :** INE558F01026
- g) **Market price Data:** High, low during each month in last financial year i.e. April 1, 2013 to March 31, 2014 at Bombay Stock Exchange.

Month	High	Low	Volume
April 2013	11.30	7.20	12,30,676
May 2013	10.25	5.75	3,22,478
June 2013	10.75	8.24	2,388
July 2013	13.12	9.23	23,357
August 2013	13.77	10.14	1,86,200
September 2013	10.55	10.55	4,336
October 2013	10.55	10.55	3,280
November 2013	-	-	0.00
December 2013	11.00	10.04	14,387
January 2014	11.50	9.88	15,439
February 2014	14.05	11.22	82,264
March 2014	12.70	11.47	3,01,019

**Source: www.bseindia.com

- h) **Registrar and Transfer Agents for demat and Physical mode:** Sharepro Services (India) Pvt. Ltd., Mumbai.
- i) **Share transfer system:** Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in respects.

j) **Distribution of Shareholding as on March 31, 2014**

Distribution of Shareholding on 31 st March, 2014	No. of Shares	% of No. of Shares	No. of shares Shareholders	% of No. of Shares
Upto 500	92844	0.09	523	46.49
501 - 1000	110252	0.11	124	11.02
1001- 2000	153486	0.16	91	8.09
2001- 3000	112751	0.11	44	3.91
3001- 4000	170546	0.18	45	4.00
4000- 5000	149125	0.15	31	2.76
5001- 10000	729126	0.74	83	7.38
10001 -20000	877518	0.88	51	4.53
Above 20000	96944352	97.59	133	11.82
Total	99340000	100	1125	100

k) **Category of shareholders as on 31st March 2014**

Category	No. of Shares held	% of Shareholding
Promoters & Directors	60430689	60.83
Mutual Funds and UTI	nil	nil
Private Corporate Bodies	16119201	16.23
Indian public	22736878	22.89
NRI/OCBs	53232	0.054
Total	99340000	100

- l) **Dematerialization of shares and liquidity:** 96.12% of the paid up capital has been dematerialized as on March 31, 2014.
- m) The company has not issued any GDRs /ADRs /Warrants or any convertible instruments.
- n) **Secretarial audit:** As a measure of good corporate governance practice, the Board of Directors of the Company appointed Mr.Ishit Vyas, practicing company secretary, to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit report confirms that the company has complied with all the applicable provisions of the Companies Act, 2013, Depository Act, 1996, Listing Agreements with the stock exchanges and all the Regulations and guidelines of SEBI as appli-



cable to the Company. The audit also covers the reconciliation on a quarterly basis, the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit has confirmed that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Further the Company adheres to the various secretarial standard issued by the Institute of Company Secretaries Of India.

Address for correspondence: Shareholders correspondence should be addressed at Registered Office of the Company at: Compliance Officer, Chartered Logistics Limited, C-1, Jay Tower, 4th Floor, Ankur Road, Naranpura, and Ahmedabad – 380013.

For and on behalf of Board of Directors

Sd/-

Place: Ahmedabad
Date: May 30, 2014

(Managing Director)
Lalit Kumar Gandhi

Declaration

I, Lalit Kumar Gandhi, Managing Director of M/S Chartered Logistics Limited do hereby declare that the as per the clause 49 of listing agreement the Board members and the senior management of company have duly complied with the code of conduct and ethics as laid down by Board of Directors of the company for the year ending March 31st, 2014.

For and on behalf of Board of Directors

Sd/-

Place: Ahmedabad
Date: May 30, 2014

Lalit Kumar Gandhi
(Managing Director)



Management Discussion and Analysis

The management of chartered logistics limited presents the analysis of the performance of the company for the year 2013-14 and its outlook for the future. The outlook is based on assessment of the current business environment it may vary due to future economic and other developments.

INDIAN SCENARIO OF LOGISTICS INDUSTRY

The Indian logistics industry is likely to continue its growth momentum in 2014 -15 as in the previous year and the sector is forecast to witness a consolidation wave in the coming months in view of the reviving fortunes of the sector with booming end-user industries.

For the era 2010-2020, the Indian logistics market is likely to witness consistent annual growth of around 8-9 per cent and reach to the revenue level of about \$190-200 billion by 2020. This target will be achieved with the help of steady growth of the economy and major industries like engineering, pharmaceuticals, automotive, food processing and others.

India spends 13% of its Gross Domestic Product (GDP) on logistics as opposed to the usual practice of 10% by other developing nations. The Indian economy is still striving for improvements in the field of logistics and supply chain Management to gain the competitive edge in today's worldwide economy. Infrastructure development is essential for the growth of an economy. The Indian government has favoured the logistics market of India by making some helpful plans and policies to assist in its growth.

CURRENT STATUS, DYNAMICS AND PROBLEMS OF THE INDUSTRY:

Pricing pressures, high cost of operations, low returns on investment, hiring and retaining talent, poor physical and communication infrastructure, stiff competition, lack of skilled labour and lack of technology being used etc.

POSITIVE TRENDS SEEN IN INDIAN LOGISTICS INDUSTRY

The industry has got the desired momentum. Logistics has become a strategic source of competitive advantage. Investments are made by foreign investors. High investments are made by government to improve the infrastructure. Companies are re-engineering their supply chain to make it more responsive. India is becoming the auto hub of the world.

To improve infrastructure facilities and in turn the logistics industry government implemented several projects such as golden quadrilateral project, east-west and north-south corridors (connecting four major metros), Free Trade and Warehousing Zones (FTWZ) and private participation in the sector.

Several global third party logistics providers (3LPs) have started developing their operations and networks in India with a purpose to explore the rampant Indian economy.

To reduce the transportation cost and for quicker movement of cargo Multimodal transport operation is introduced (MTO). MTO helps exporters with less documentation for instance single document for all modes of transport.

Several factors helped the growth of logistics industry in India over the decade that includes changing tax system, rapid growth in industries such as automobile, pharmaceuticals, FMCG and retail. However, major sectors that are investing huge amounts in logistics industry are aviation, metal &



mining and consumer durables. With increasing competition and cost, focus on outsourcing, entry of foreign players is having positive impact on the industry. Three major contributors for the growth of the logistic industry are: emergence of organized retail, increase in foreign trade and India becoming soon the manufacturing hub.

RISK & CONCERNS:

The logistics sector is marred by many inherent risks which are specific to its functioning, like fragmented ownership of vehicles, poor infrastructure of roads, bureaucratic delays at the borders, poor vehicles maintenance, en-route levies etc. These may be categorized as operational risks. It is also exposed to market risks and financial risks to which all the operations are exposed. These include risks like fluctuations in the economy and sudden changes in the Government policies and laws at macro level and risks like increase in the prices of component parts and fuel, increase in the hiring charges of vehicle etc. at macro level. Besides these, the Road Transport Sector is also saddled by natural calamities and events like Bandhs and riots in various parts of the Countries.

India's spend on logistics activities is equal to 13% of its GDP while it is 10% in Europe and 11% in Japan, it is also higher than most of the developed nations. The main reason for this is the relatively higher level of inefficiencies in the system, with lower average trucking speeds, higher turnaround time at ports and high cost of administrative delays. The required pace of efficiency and quality improvement will demand rapid development of capabilities of logistics service providers. This industry provides lesser pay and progression incentives compare to other industries. The logistics being a service oriented sector, skill development will emerge as a main capability

FUTURE PROSPECTS/OPPORTUNITIES IN INDIAN LOGISTICS INDUSTRY:

Despite problems, The Indian logistics industry is growing at 20% vis-à-vis the average world logistics industry growth of 10%. Since the organized sector accounts for merely 1% of the annual logistics cost, there is immense potential for growth of the sector. Many large Indian corporate are been attracted by the potential of this sector. Large express cargo and courier companies such as Transport Corporation of India (TCI) have started logistics operations. Since the logistics services can be provided without assets there is growing interest among entrepreneurs to venture into this business. Indian shippers are gradually becoming more aware of the benefits of logistics outsourcing. Faster growth rate of Indian GDP implies more output and more demand of logistics services. The Indian government has focused on infrastructure development which includes the golden quadrilateral project, east-west and north-south corridors (connecting four major metros), Free Trade and Warehousing Zones (FTWZ) in line with Special Economic Zones (SEZ) with 100% Foreign Direct Investment (FDI) limit and public-private partnerships (PPP) in infrastructure development. It is expected that infrastructure development would boost investments in the logistics sector. In India 100% FDI is allowed in logistics sector. Almost all large global logistics companies have their presence in India, mainly involved in freight forwarding and for domestic transportation and warehousing; they have tie-ups with Indian companies which is the key driver for the growth of Indian logistics companies.

FINANCIAL & OPERATIONAL PERFORMANCE OF COMPANY FOR 2013-14

The financial statements of the company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP). Our management accepts responsibility for the integrity and objectivity of these financial statements as well as for the various estimates and judgments used therein. The estimates and judgments relating to financial statements have been made on a



prudent and reasonable basis, so that the financial statements reflects in a true and fair manner and reasonably present our state of affairs, profit&Loss and cash flows for the year.

The turnover and performance of the company for the current year 2013-14 is decreased due to the slowdown in overall economy also affecting our industry. The total income in the year 2013-14 is Rs.16393.43 lakhs as against the total income of Rs. **25269.23** lakhs in the previous year. Profit before tax (PBT) has been reported to **(909.08)** lakhs in the current year from Profit before tax (PBT) of Rs. **426.91** lakhs .in the previous year. The net profit after tax for the current year 2013-14 is **(823.63)** lakhs.as against the net profit of Rs. **281.89** lakhs for the previous year.

OUR BUSINESS STRATEGY

The company is striving hard and making the business strategies to improve its efficiency and productivity, strengthening its position to seek business from new clients and delivering high business values to its existing clients, continue to develop deep industry knowledge, increasing our relevance to clients, and continue to invest in infrastructure and manpower for its growth in coming years.

OUR STRENGTHS

We believe our competitive strengths include leadership in delivering best and timely services that enables clients in turn to delievery improved business results in addition to optimizing the efficiency of their business, our commitment to quality of services, long standing client relationships makes us a competitive player.

INTERCONTROL SYSTEM & ADEQUACY:

The Company has proper and adequate system of controls commensurate with its size and nature of operations. Over the years, the company has developed a strong Internal Control System to safeguard all its assets and to report and record properly all transactions. The company has an adequate internal audit department, which periodically reviews the internal systems as well as checks for compliance with the laid down policies and procedures.

HUMAN RESOURCES:

Human Resources continue to get primary focus of the management and the company regards its Human Resources amongst its most valuable assets. The company has invested in people during the course of the year through various training programmes in order to keep its employee competent and updated in the changing business environment. Employee at all levels are exposed to continue training and development. The Human Resources team has been further strengthened to nurture its Human Resource assets.

CAUTIONARY STATEMENT

Some of the statement in the report describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statement' within the meaning of applicable securities laws and regulations. The forward-looking statement have as their basic certain assumptions and expectations about behavior or outcome of future events and/or economic variables. The Company's operations may be affected these economic conditions, demand/supply scenario, price conditions in which the Company operates changes in the Government Policies, changes in fiscal laws and other incidental factors.



CEO / CFO CERTIFICATION

To,

The Board of Directors
Chartered Logistics Limited
Ahmedabad

Dear Sir,

This is to certify that:

- a) We have reviewed financial statement for the Financial Year ended March 31st, 2014 and the cash flow statement for the year and that to the best of our knowledge and belief: -
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair copy of the Company's affairs and are in compliance with existing standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and Audit committee:
 - i. About significant changes in internal control during the year, whenever applicable;
 - ii. That there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. That there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having such significant role in the Company's internal control system.
- e) We further declare that all members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

For Chartered Logistics Limited

Lalit Kumar Gandhi
Managing Director

For, Chartered Logistics Limited

Nisha Makwana
Chief Financial Officer

Place: Ahmedabad
Date: May 30, 2014



AUDITORS' REPORT

TO THE MEMBERS OF CHARTERED LOGISTICS LIMITED

We have audited the attached Balance Sheet of **CHARTERED LOGISTICS LIMITED**, as at 31st March, 2014 and also the Profit and Loss Account 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.

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 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.

As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) order 2004, (together the 'order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (ii) In our opinion, proper books of accounts required by law have been kept by the company so far as appears from our examination of those books
- (iii) The Balance Sheet, Profit and Loss Accounts and Cash Flow statement dealt with by this report are in agreement with the books of accounts
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956:
- (v) On the basis of written representations received from the directors, as on 31st March, 2014, and taken on record by the Board Of Directors, we report that none of the directors is disqualified as on 31st March 2014 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 along with accounting policies and additional notes and according to the explanations given to us, the said accounts read in along with schedule-1 to 23 along with accounting policies and additional notes forming part of accounts, 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, 2014; and
- (b) in the case of the Profit and Loss Account, of the **LOSS** for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Vidya & Co.

Chartered Accountants
FRN: 308022E

RAJENDRA K.NAGAR
PARTNER
M.No.057240
Ahmedabad, 30th May 2014



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date on the accounts of the
Chartered Logistics Limited as at 31st March, 2014)

- (1) In respect of Fixed Assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of physical verification of its fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, fixed assets have been physically verified by the management during the year according to the information and explanation given to us, no material discrepancies have been noticed on such verification.
 - (c) During the year no substantial parts of fixed assets have been disposed off by the company. Therefore, the provisions of clause 1(c) of paragraph 3 of the aforesaid order, in our opinion, are not applicable to the company.
- (2) In respect of inventory of stores, operating suppliers, etc.:
 - (a) Physical verification of inventory has been conducted during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (3) In respect of loans, secured or unsecured, granted or taken by the company to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 according to the information and explanation given to us:
 - (a) The Company has not granted any loans to companies listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause III(b) to (d) of paragraph 3 of the aforesaid order, in our opinion, are not applicable to the company.
 - (b) The company has not taken any loans or Advances of from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause III(f) and III (g) of paragraph 4 of the aforesaid order, in our opinion, are not applicable to the company
 - (c) As per information and explanation given to us, the rate of interest and other terms and conditions of the loans taken by the company, if any, are not prima facie prejudicial to the interest of the company.
 - (d) As per information and explanation and records produced before us, there is no overdue amount, hence this clause is not applicable.
- (4) In our opinion and according to the information and explanations given to us, there are adequate



- internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weakness in the internal control system.
- (5) In respect to contracts or arrangements entered in the register maintained under section 301 of Companies Act. :
- (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under section 301 of Companies Act, 1956, have been duly entered by the company.
- (b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of contracts or arrangements that are required to be entered in the register maintained under section 301 of Companies Act, 1956 aggregating during the year Rs.500000/- (Five lacs only) in respect of each party during the year, the rates are considered to be reasonable having regard to the prevailing market price at the relevant time.
- (6) In our opinion and according to information and explanations given to us, the company has not accepted any deposits from the public and hence the provisions of Section 58A and 58AA or any other relevant provisions of the companies Act, 1956 and the Companies (Acceptance of Deposits) rules, 1975 with regard to the deposits accepted from the public are not applicable to the Company.
- (7) The Company has appointed a Chartered Accountant as its Internal Auditor for the year under audit. The internal audit for the year is therefore carried out by the said firm. In our opinion, the company has an adequate internal audit system commensurate with its size and nature of its nature of business.
- (8) The maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Act for the services rendered by the company. Therefore provisions of this clause of the order are not applicable to the company.
- (9) In respect of Statutory Dues:
- (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, as at **31st March 2014** for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of wealth tax, excise duty, and cess which have not been deposited on account of any dispute. The company had preferred Second Appeal with Hon'ble ITAT against the orders passed by CIT(Appeal), Ahmedabad for the year AY 2007-08 to 2010-11 in the previous financial year against demand u/s 156 of the Income Tax Act, 1956. The appeal has been allowed by the Hon'ble ITAT, Ahmedabad and the company is due to receive the refund for all the above assessment years.
- (10) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year under report and the immediately preceding financial year.



- (11) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks or financial institutions. The Company has not issued any Debentures.
- (12) In our opinion and according to the information and explanations given to us, The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) The Company is not a chit fund, nidhi or mutual benefit fund/society. Therefore the provisions of Clause XIII of paragraph 3 of the aforesaid Order are not applicable to the company.
- (14) In our opinion and according to information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore the provisions of Clause XIV of paragraph 3 of the aforesaid Order are not applicable to the company.
- (15) In our opinion and according to information and explanation given to us, the Company has not given a guarantee to a financial institution or banks for loans taken by others from bank or financial institutions. Therefore the provisions of Clause XV of paragraph 3 of the aforesaid Order are not applicable to the company.
- (16) In our opinion and according to information and explanation given to us, the term loans were applied for the purpose for which the loans were obtained.
- (17) According to the cash flow statement and other records examined by us and the information and explanation given to us, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long term investment and vice versa. Though the surplus funds which were not required for immediate utilization have been invested in liquid investments payable on demand.
- (18) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956, during the year. Therefore the provisions of Clause XVIII of paragraph 3 of the aforesaid Order, are not applicable to the company.
- (19) No debentures have been issued by the Company and therefore the provisions of Clause XIX of paragraph 3 of the aforesaid Order, are not applicable to the company.
- (20) During the year, the Company has not raised money by public issue and therefore the provisions of Clause XX of paragraph 3 of the aforesaid Order are not applicable to the company.
- (21) According to the information and explanations given to us and on the basis of examination of records, no material fraud on or by the Company was noticed or reported during the year.

For VIDYA & CO.

Chartered Accountants
FRN: 308022E

Rajendra K. Nagar
Partner
M. No. 057240

Ahmedabad, 30th May 2014.



AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of **Chartered Logistics Limited** for the year ended on **31st March, 2014**. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreements with the Stock Exchanges and is based on in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For, VIDYA & CO.

Chartered Accountants

FRN:308022E

RAJENDRA K.NAGAR

Partner

M. No. 057240

Ahmedabad, 30th May 2014.

**BALANCE SHEET AS AT 31ST MARCH 2014**

(Figures in Rs Lakhs)

Particulars	Notes	31st March 2014	31st March 2013
I EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	1000.59	1000.59
Reserves and Surplus	2	1213.73	2037.37
Non Current Liabilities			
Long Term Borrowings	3	1807.01	4956.95
Deferred Tax Liabilities (Net)	4	318.12	403.57
Current Liabilities			
Short Term Borrowings	5	7256.27	4854.95
Trade Payables	6	331.36	138.80
Other Current Liabilities	7	(12.54)	16.18
Short Term Provisions	8	346.76	489.00
TOTAL		12261.31	13897.41
ASSETS			
Non Current Assets			
Fixed Assets			
(i) Tangible Assets	9	3339.29	4186.56
(ii) Capital Work in Progress	10	0.00	131.26
Non-current Investments	11	188.57	202.18
Long-Term Loans and Advances	12	2652.28	621.22
Other non-current assets	13	0.19	36.79
Current assets			
Inventories	14	93.36	77.04
Trade Receivables	15	4749.35	5917.01
Cash and cash equivalents	16	692.17	1009.91
Short-term loans and advances	17	546.10	1715.44
TOTAL		12261.31	13897.41

Significant Accounting Policies and Other Notes 23

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

For VIDYA & CO.

Chartered Accountants

FRN:308022E

Rajendra K. Nagar

Partner

M. No. 057240

Place : Ahmedabad

Date :30th May 2014**ON BEHALF OF THE BOARD OF DIRECTORS****Lalitkumar Gandhi**

Managing Director

Harsh Gandhi

Executive Director

Nisha Makwana

Chief Financial Officer

Anamika Jajoo

Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

(Figures in Rs Lakhs)

Particulars	Notes	31st March 2014	31st March 2013
Revenue:			
I. Revenue from Truck Fleet Operations		16101.58	25011.95
II. Other Income	18	291.85	257.28
III. Total Revenue (I+II)		16393.43	25269.23
IV. Expenses:			
Truck Fleet Operation and Hire Charges		14665.90	22029.40
Employee benefits expense	19	134.85	168.96
Finance Costs	20	1168.86	1258.66
Depreciation and Amortization	21	1092.86	1140.16
Other expenses	22	240.07	245.14
Total expenses		17302.52	24842.32
V. Profit before exceptional and extra ordinary items and tax(III-IV)		(909.08)	426.91
VI. Tax expense			
Provision for Current Tax		0.00	82.44
Deferred Tax Asset		85.45	2.83
Dividend Distribution Tax		0.00	0.00
Income Tax Paid for Previous Year		0.00	0.00
MAT credit		0.00	59.75
VII. PROFIT AFTER TAX (V - VI)		(823.63)	281.89
Earnings per Equity Share:			
(1) Basic		(0.92)	0.35

Significant Accounting Policies and Other Notes²³

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

For VIDYA & CO.

Chartered Accountants

FRN:308022E

Rajendra K. Nagar

Partner

M. No. 057240

Place : Ahmedabad

Date :30th May 2014**ON BEHALF OF THE BOARD OF DIRECTORS****Lalitkumar Gandhi**

Managing Director

Harsh Gandhi

Executive Director

Nisha Makwana

Chief Financial Officer

Anamika Jajoo

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014**

(Figures in Rs Lakhs)

Particulars	As at 31st March 2014	As at 31st March 2014	As at 31st March 2013	As at 31st March 2013
A. Cash flows from operating activities:				
Net Profit before Taxation and Extra ordinary items		-909.08		426.91
Adjustments for :				
Depreciation expense	1017.70		1014.87	
Interest and finance charges	1168.86		1258.66	
Interest Dividend etc. received	-228.82		-209.12	
(Profit)/Loss on sale of shares (Net)	-13.12		-6.17	
(Profit)/Loss on sale of assets (Net)	-46.53		-5.38	
Prelim.exp w/off	0.00			
Total adjustments		<u>1898.08</u>		<u>2052.86</u>
Operating Profit before working capital changes		<u>989.00</u>		<u>2479.77</u>
Adjustments :				
Trade and other receivables	1167.66		-225.54	
Inventories	-16.32		-70.04	
Trade Payables	192.56		-12.36	
Short Term Loans & Advances	1169.34		-257.92	
Decrease in Other Current Liability	-28.72	<u>2484.53</u>	-2.34	<u>-568.20</u>
Cash generated from operations		<u>3473.52</u>		<u>1911.57</u>
Interest and finance charges paid	-1168.86		-1258.66	
Excess (Short) Provision Written back	-142.24		41.99	
Income tax paid	0.00		-40.45	
		<u>-1311.09</u>		<u>-1257.12</u>
Net cash provided by operating activities		<u>2162.43</u>		<u>654.45</u>
B. Cash flows from investing activities:				
Cash payment to purchase fixed assets	-136.10		-164.32	
Net Sale/ (Purchase) of investment	26.73		-37.29	
Sale of Fixed assets	143.46		180.26	
Addition in Capital Work in progress	0.00		-53.97	
Long Term Loans & Advances	-2031.06		149.62	
Investing in other non current asset	36.60		-25.32	
Interest,Dividend etc. received	228.82		209.12	
Net cash flow from Investing Activities		<u>-1731.55</u>		<u>258.10</u>
C. Cash flows from financing activities:				
Net increase/(decrease) in borrowings	-748.62		-593.91	
Share issue expenses	0.00		0.00	
Cash payments for dividends (Including dividend tax)	0.00		0.00	
Net cash flow from financing activities		<u>-748.62</u>		<u>-593.91</u>
Net increase in cash and cash equivalents (A+B+C)		<u>-317.74</u>		<u>318.64</u>
Cash balance, April 1, 2013		<u>1009.91</u>		<u>691.29</u>
Cash balance, March 31, 2014		<u>692.17</u>		<u>1009.91</u>

This is the Balance Sheet referred to in our report of even date.

For **VIDYA & CO.**

Chartered Accountants

FRN:308022E

Rajendra K. Nagar

Partner

M. No. 057240

Place : Ahmedabad

Date :30th May 2014

ON BEHALF OF THE BOARD OF DIRECTORS

Lalitkumar Gandhi

Managing Director

Harsh Gandhi

Executive Director

Nisha Makwana

Chief Financial Officer

Anamika Jajoo

Company Secretary

**1. SHARE CAPITAL**

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Authorised Shares		
250000000 equity shares of Rs 1/- each	2500.00	2500.00
Issued, Subscribed and Paid-up shares		
99340000 equity shares of Rs 1/- each fully paid up.	993.40	993.40
Add: Equity Shares Forfeited	7.19	7.19
Total issued, subscribed and paid-up share capital	1000.59	1000.59

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period **(Figures in Lakhs)**

Equity Shares	31st March 2014		31st March 2013	
	No.	Amount	No.	Amount
At the beginning of the period	993.40	993.40	993.40	993.40
All shares at the beginning sub-divided into 10 shares of Re. 1/- each	0.00	0.00	0.00	0.00
Issued During the period-Bonus Issue	0.00	0.00	0.00	0.00
Issued During the period-ESOP	0.00	0.00	0.00	0.00
Shares forfeited	7.19	7.19	7.19	7.19
Outstanding at the end of the period	1000.59	1000.59	1000.59	1000.59

Of the above:

In 2010-11, 49670000 equity shares of the face value of Rs 1/- each were allotted as Bonus Shares by Capitalisation of Accumulated Balances in Profit & Loss Account.

Details of shareholders holding more than 5% shares in the company

Name of Shareholder	31st March 2014		31st March 2013	
	No.	% holding	No.	% holding
1.) Lalitkumar Gandhi	15828000.00	15.93	18538239.00	18.66
2.) Taru Gandhi	11944000.00	12.02	11944000.00	12.02
3.) Jaya Kishorekumar Gandhi	6542000.00	6.59	6542000.00	6.59
4.) Kishore Gandhi	6206000.00	6.25	6206000.00	6.25
5.) Rajendrakumar Gandhi	5812000.00	5.85	5812000.00	5.85
6.) Gyanchand Gandhi	5124000.00	5.16	5124000.00	5.16
7.) Raj Raman Transport Private Limited	9750900.00	9.82	10750900.00	10.82

**2. RESERVES & SURPLUS**

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
General Reserve		
Opening Balance	135.21	135.21
Add: Transfer During The Year	0.00	0.00
Closing Balance	135.21	135.21
Surplus/(deficit) in the statement of profit and loss		
Surplus - Opening Balance	1902.16	1620.27
Add: Profit for the year	-823.63	281.89
Transferred to General reserve	0.00	0.00
Interim Dividend Paid	0.00	0.00
Closing Bal of P & L account	1078.53	1902.16
Total Reserves and Surplus	1213.73	2037.37

3. LONG TERM BORROWINGS

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Secured Loans:		
Term loans (Due after one year)		
Truck vehicles (Secured by Hypothecation of specific Truck vehicles acquired under Financing Agreement)	1801.65	4947.70
Vehicle Loans (Secured by Hypothecation of specific Motor Cars acquired under Financing Agreement)	5.37	9.25
Note: Term loan obligation is repayable by Monthly Equated Installments beginning from the month subsequent to taking the loan. General repayment schedule is ranging from 3-5 years.		
Unsecured Loan	0.00	1.50
(Repayable after one year)		
	1807.02	4956.96

4. Deferred Tax Liability (Net)

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
A. DEFERRED TAX LIABILITIES :		
Arising on account of timing difference		
-Depreciation	403.57	403.57
TOTAL (A)	403.57	403.57



	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Less :		
B.DEFERRED TAX ASSETS :		
Arising on account of timing difference	85.45	0.00
TOTAL (B)	0.00	0.00
TOTAL (A-B)	318.12	403.57

5. SHORT-TERM BORROWINGS

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Secured :		
Term loans (Due within one year)		
Truck vehicles (Secured by Hypothecation of specific Truck vehicles acquired under Financing Agreement)	2383.51	1627.01
Vehicle Loans (Secured by Hypothecation of specific Motor Cars acquired under Financing Agreement)	36.06	13.03
Note: Term loan obligation is repayable by Monthly Equated Installments beginning from the month subsequent to taking the loan.		
Working Capital Demand Loans		
From Banks	4836.70	3214.91
(Secured by hypothecation of truck vehicles & book debts and mortgage by deposit of title deeds of Property & personal guarantee of directors)		
Note: Working Capital Demand loan is repayable on demand. Interest on loan utilised is payable on monthly basis.		
	7256.27	4854.95

6. TRADE PAYABLES

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Sundry Creditors	331.36	138.80
	331.36	138.80

7. OTHER CURRENT LIABILITIES

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Other Liabilities :		
Unclaimed Dividend	5.07	5.09
Statutory Liability	(17.61)	11.11
	-12.54	16.18



* There are no amounts due for payment to the Investor Education and Protection Fund under section 205C of the Companies Act, 1956 as at the year end.

8. SHORT-TERM PROVISIONS

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Provision for Taxation	309.44	309.44
Unpaid Expenses	5.29	1.45
Unpaid Freight Expenses	32.03	178.11
	346.76	489.00

9. TANGIBLE ASSETS

(Figures In Rs Lakhs)

Particulars	Land	Building		Plant & Machinery	Trucks	Vehicles	Computers	Furnitures and Fixtures	Office Equipments	TOTAL
		Commercial	Others							
At 1 April 2012	24.06	29.04	13.31	35.56	7926.66	160.19	47.42	26.11	35.55	8297.89
Additions	18.28	0.00	0.00	19.39	319.95	1.90	9.83	1.06	1.41	371.82
Disposals	0.00	0.00	0.00	0.41	174.47	0.00	0.00	0.00	0.00	174.88
As at March 31st, 2013	42.34	29.04	13.31	54.53	8,072.14	162.09	57.25	27.17	36.96	8494.83
Additions	159.09	0.00	0.00	0.00	3.43	59.59	5.25	0.08	39.92	267.36
Disposals	0.00	4.02	4.72	0.00	87.74	0.00	0.00	0.45	0.00	96.92
As at March 31st, 2014	201.43	25.02	8.59	54.53	7,987.83	221.69	62.50	26.79	76.88	8665.26
Depreciation										
At 1 April 2012	0.00	2.73	2.34	2.95	3183.61	55.72	28.10	7.38	10.56	3293.39
Charge for the year	0.00	0.47	0.22	2.59	1110.43	14.48	8.56	1.68	1.74	1140.16
Disposals	0.00	0.00	0.00	0.00	125.29	0.00	0.00	0.00	0.00	125.29
As at March 31st, 2013	0.00	3.20	2.55	5.54	4,168.76	70.19	36.66	9.06	12.30	4308.26
Charge for the year	0.00	0.46	0.20	3.14	1,056.59	19.25	9.69	1.69	1.84	1092.86
Disposals	0.00	0.64	0.75	0.00	73.71	0.00	0.00	0.05	0.00	75.16
As at March 31st, 2014	0.00	3.02	2.00	8.68	5,151.63	89.44	46.35	10.70	14.14	5325.96
Net Block	0.00									
At 31st March 2013	42.34	25.83	10.76	48.99	3,903.38	91.90	20.59	18.11	24.66	4186.56
At 31st March 2014	201.43	22.00	6.59	45.85	2,836.20	132.24	16.15	16.10	62.74	3339.29

**10. CAPITAL WORK IN PROGRESS**

(Figures In Rs Lakhs)

Particulars	Building Commercial	New Truck Trolley	Total
Cost or Valuation			
At 1 April 2012	93.39	191.40	284.79
Additions	37.88	16.09	53.97
Transferred to Assets above	0.00	207.49	207.49
As at March 31st, 2013	131.26	0.00	131.26
Additions	0.00	0.00	0.00
Transferred to Assets above	131.26	0.00	131.26
As at March 31st, 2014	0.00	0.00	0.00
Net Block			
At 31st March 2013	131.26	0.00	131.26
At 31st March 2014	0.00	0.00	0.00

11. Non-Current Investment**31st March 2014**
Rs Lakhs**31st March 2013**
Rs Lakhs

Trade Investments(valued at cost unless stated otherwise)		
Investment in associates		
Unquoted Equity shares of Chartered Motors Pvt. Ltd	24.00	24.00
	24.00	24.00
Trade Investments(valued at cost unless stated otherwise)		
Investment in equity instruments		
Quoted & fully paid up	164.57	178.18
Unquoted & fully paid up	0.00	0.08
	164.57	178.18
Aggregate amount of quoted Investment	164.57	178.10
Aggregate amount of unquoted Investment	24.00	24.08
Market value of quoted investment	141.74	160.10
	188.57	202.18

**12. LONG-TERM LOANS AND ADVANCES**

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Capital Advances		
Secured, considered good	0.00	0.00
(A)	0.00	0.00
Security Deposit		
Secured, considered good	189.54	193.36
	189.54	193.36
(B)	189.54	193.36
Loans and advances to related parties		
Secured, considered good	0.00	0.00
(C)	0.00	0.00
Advances recoverable in cash or kind		
Secured, considered good	2416.49	381.60
	2416.49	381.60
(D)	2416.49	381.60
Other Loans & Advances		
MAT credit entitlement	46.26	46.26
(E)	46.26	46.26
TOTAL	(A+B+C+D+E) 2652.28	621.22

13. OTHER NON-CURRENT ASSETS

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Prepaid Interest	0.19	22.84
TDS Receivable	0.00	2.48
Preliminary Expenditure (To the extent not written off or adjusted)	0.00	11.47
	0.19	36.79

14. INVENTORIES (valued at lower of cost and net realizable value)

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Stores and Spares	41.05	11.95
Truck Tyre Inventory	52.31	50.07
Diesel & Oil (Petrol Pump Ahmedabad)	0.00	15.02
	93.36	77.04

**15. TRADE RECEIVABLES**

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Outstanding for more than six months : Unsecured, considered good	0.00	242.57
	0.00	242.57
Outstanding for less than six months : Unsecured, considered good	4749.35	5674.44
	4749.35	5674.44
	4749.35	5917.01

16. CASH AND CASH EQUIVALENTS

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Cash on Hand	613.95	932.93
Balances with banks :		
On current accounts	20.70	8.52
Fixed Deposit (Due within a year)	57.51	68.46
	692.17	1009.91
The details of balances as on Balance Sheet dates with banks are as follows :		
In Current Accounts		
HDFC Bank Ltd. Dividend A/C	2.25	2.25
ICICI Bank Ltd.	0.17	0.17
Indira Sahakari Bank	0.03	0.03
Kotak Mahindra Dividend A/C	2.81	2.80
State Bank of India	6.25	2.31
Yes Bank Ltd.	0.00	0.39
Axis Bank Ltd.	0.00	-0.58
HDFC Bank Ltd.	9.20	1.15
	20.70	8.52

17. SHORT-TERM LOANS AND ADVANCES

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Other loans and advances		
Income Tax	0.00	0.00
Prepaid Expenses	94.52	108.19
Advance to Vendors	6.28	31.15
Advance to employees	0.50	4.36
Income Tax deposit with authority	443.46	322.53
Advances recoverable in cash or kind		
Secured, considered good	1.34	1249.21
	546.10	1715.44

**18. OTHER INCOME**

	31st March 2014	31st March 2013
	Rs Lakhs	Rs Lakhs
Interest Income on		
Bank deposits	0.00	0.00
Others	227.38	206.80
Dividend Income on		
Long-term Investment	1.43	2.32
Net gain on sale of current investment	0.0	0.00
Other Non-Operating Income (net of expenses directly attributable to such income)		
Rent Income	2.63	4.59
Warfage Charges	0.76	0.00
Profit on sale of fixed assets	46.53	5.39
Short term Profit on sale of Shares	13.12	6.17
Other Income	0.00	32.01
	291.85	257.28

19. EMPLOYEE BENEFIT EXPENSES

	31st March 2014	31st March 2013
	Rs Lakhs	Rs Lakhs
Salaries, Wages, & Bonus	99.69	119.65
Employees Welfare Expenses	22.24	24.60
Contribution to Provident Fund & other Funds	0.12	0.10
Medical Expenses	0.48	1.03
Kitchen & Mess Expenses	12.32	23.58
	134.85	168.96

20. FINANCE COSTS

	31st March 2014	31st March 2013
	Rs Lakhs	Rs Lakhs
Interest Expense :		
On Term Loans	1118.66	1207.70
Other :		
Bank & loan processing Charges	24.54	41.72
Interest to others	25.66	9.24
	1168.86	1258.66

**21. DEPRECIATION AND AMORTIZATION EXPENSE**

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Depreciation of Tangible Assets	1092.86	1140.16
	1092.86	1140.16

22. OTHER EXPENSES

	31st March 2014 Rs Lakhs	31st March 2013 Rs Lakhs
Advertisement Expenses	0.65	0.82
Audit Fees	0.85	1.35
Books & periodicals	0.17	0.16
Business promotion	1.31	2.55
Donation Expenses	0.39	0.61
Electricity Expenses	7.63	8.47
Repairs & Maintenance :		
Building	0.00	0.18
Vehicles	1.58	2.93
Others	11.34	12.03
Travelling and Conveyance	20.26	30.89
Sundry Debts Write off	20.82	0.00
Insurance	49.41	36.21
Rent	32.95	33.42
Rates & Taxes	0.30	4.06
Printing & Stationery	7.20	12.60
Postage, Telephone and Communication	18.08	25.83
Office expenses	26.10	29.99
Professional Fees	10.47	14.62
Vehicle fuel & Running Expenses	14.28	25.88
Income Tax paid	1.73	0.00
Miscellaneous Expenses	14.54	2.54
	240.07	245.14
Details of Auditor's Remuneration :		
Audit Fees	0.85	1.12
Tax Audit Fees	0.00	0.23
	0.85	1.35



23. **SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO ACCOUNTS**

A) **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- a) The Financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principals and provisions of the Companies Act, 1956 as adopted by the Companies Act, 1956, and the applicable Accounting standards under the Companies (Accounting Standards) Rules, 2006. All Income and Expenditure having material bearing on the financial statements are recognized on accrual basis.
- b) The Company accounts for freight income as soon as bills are raised and freight expenses when the hired vehicle start towards its destination. Having regard to the size of the Company and nature of its business, in the opinion of Management the foregoing is a reasonable basis of applying the accrual basis of accounting.

B) **Use of Estimates:**

The presentation of the financial statements in conformity with the Generally Accepted Accounting policies requires, the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, revenues and Expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of financial statements. Difference between the actual results and estimates are recognized in the period in which the result are known / materialized.

C) **Revenue Recognition:**

- Revenue/ Income and Cost/ Expenditure are generally accounted on accrual basis as they are earned/ incurred, except those with significant uncertainties.
- Dividend income from investment is recognized as and when received.
- Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.
- Claims made against the company are evaluated as to type thereof, period for which they are outstanding and appropriate provision made. Claims are stated net of recoveries from insurance companies and others.
- Administrative and other expenses are stated net of recoveries wherever is applicable.

D) **Fixed assets**

Fixed Assets acquired by the company are reported at acquisition value, with deductions for accumulated depreciation and impairment of loss, if any. The acquisition value indicates the purchase price and expenses directly attributable to assets to bring it to the office and in the working condition for its intended use.

E) **Depreciation**

Depreciation on Fixed Assets is provided on "Straight line method" at the rates prescribed under Schedule XIV of the Companies Act, 1956.



Depreciation on the fixed assets acquired during the year has been provided on Pro rata basis.

F) **Investments**

Investments are accounted at the cost plus brokerage and stamp charges. Long term Investments are valued at cost less provision for diminution other than temporary, in value, if any. Profit or losses on investment are calculated on FIFO Method and it is accounted as and when realized.

G) **Inventories**

Inventories at year-end are valued at the Lower of the Cost Price or Net Realisable Value.

H) **Retirement Benefits**

a) Short term employee benefits are recognized as expenses at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

b) **Defined Contribution Plan:**

Monthly contribution to the provident fund which is defined contribution schemes are charged to profit & loss account and deposited with the provident fund authorities on monthly basis.

Defined benefit Plans:

Gratuity to employees is not accounted for or provided for present or future liabilities as per the provision of Accounting Standard 15 issued by Institute of Chartered Accountants of India in respect of accounting for retirement benefits.

c) Termination benefits are charged to Profit & loss account in the year of payment.

I) **Taxes on Income**

a. Current tax is determined on the basis of amount of tax payable on taxable income for the year.

b. In accordance with Accounting Standard; -22 "Accounting For Taxes on Income" issued by The Institute of Chartered Accountants of India, amount of the deferred tax for timing difference between the book and tax profits for the year is accounted for using the tax rate and laws that have been enacted or substantively enacted as of the balance sheet date.

J) **Expenses**

Material known liabilities are provided for on the basis of available information / estimates with the Management.

Whenever external evidences for expenses are not available, Management has taken care of proper authorization of such expenses.

K) **Transaction in Foreign Currency**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transaction.



Foreign currency monetary assets and liabilities are reported using the closing rate. Gains and losses arising on account of difference in foreign exchange rates on settlement/translation of monetary assets and liabilities on the closing date are recognized in the Profit and Loss account.

L) **Borrowing Cost**

Borrowing cost are recognized in the period to which they relate, regardless of how the funds have been utilized, except where it relates to the financing of new assets requiring a substantial period of time for their intended future use. Interest on borrowings if any is capitalized up to the date when the asset is ready for its intended use. The amount of interest capitalized for the period is determined by applying the interest rate applicable to appropriate borrowings.

M) **Earning per Share**

Basic earning per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Dilutive earning per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

N) **Impairments of Assets**

At each Balance sheet date, the company reviews the carrying amount of fixed assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment of loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the assets to their present value.

O) **Provisions and Contingent Liabilities**

Provisions involving substantial degrees of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions (excluding long term benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

P) **Cash Flow Statement**

The cash flow statement is prepared by the "Indirect Method" set out in Accounting Standard 3 on Cash Flow Statements and present the cash flow by operating, investing and financing activities of the company.

Cash and cash equivalent presented in the cash flow statement consist of cash on hand, Bank balances and demand deposits with banks.

Q. **ADDITIONAL NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st March, 2013.**

1. In the opinion of Board of directors & Management, the current assets, current liabilities, unsecured loans, loans and advances have been approximately of the value stated, if real-



ized in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate and not in excess of amounts reasonably necessary.

As the company operates in a single segment engaged in Transport services, Accounting Standards 17 on Segment Reporting is not applicable.

Additional information pursuant to the provisions of New Schedule VI of the Companies Act, 1956.

A.	Auditors' Remuneration	For the year ended 31.3.14	For the year ended 31.3.13
		Rs	Rs
	For Audit Fees	84332	112360
	For Taxation & Other Capacity	0	22472
		84332	134832

B.	Directors Remuneration:	Rs	Rs
	Directors Remuneration Paid	1800000	2184200

The Company is engaged in the transportation business, in our opinion and information and explanation from management, quantitative details are not applicable.

Calculation of Earning Per Share (EPS)
The numerators and denominators used for calculate the basic and Diluted EPS are as follows.

	For the year ended 31.3.14	For the year ended 31.3.13
A.	Profit attributable to Shareholders	
a)	Profit for the year after tax (Rs. in '000)	(82363)
	(After tax but before prior period and Extra ordinary items)	
b)	Profit attributable to Equity Share holders (Rs. in '000)	(82363)
B.	Basic and weighted average number of equity share	9934000

Outstanding during the year (Nos.)

C. Nominal value of Equity Shares (Rs.)

D. Basic and Diluted EPS (Rs.)

* After considering Split and Bonus Shares



5. Related Party Transaction :

As per Accounting standard 18 on “related party disclosures; disclosures of transactions with related parties as defined therein are given below.

List of related parties with whom transactions have taken place and Nature of relationship.

a)	Key Management Personnel (“KMP”):-		
	Mr. Lalit G. Gandhi,	-	Managing Director
	Mr. Harsh Gandhi,	-	Executive Director
b)	Relatives of “KMP”		
	Chartered Motors Pvt. Ltd.	-	Harsh Gandhi -Director
	Raj Marketing	-	Mrs. Taru Gandhi-Proprietor (Wife of Mr. Lalitkumar Gandhi)
	Chartered Auto Components Pvt. Ltd	-	Mr. Pankaj Gandhi-Director (Brother of Mr. Lalitkumar Gandhi)
	Chartered Auto Zone Pvt. Ltd.	-	Mr. Pankaj Gandhi-Director (Brother of Mr. Lalitkumar Gandhi)

Transactions with Related Parties during the year :

The following transactions were carried out with the related parties in the ordinary course of Business.

A) Details of Related party transaction with relatives of “KMP”:

	Name of Transactions		Volume of Transactions	
	Current Year	Previous Year	Current Year	Previous Year
			Rs	Rs
1. Expenses				
Purchase of Spare Parts (Chartered Motors Pvt. Ltd.)	7340443/-			4684961/-
Purchase of Spare Parts	950022/-			14170/-
Sale of Services (Raj Marketing)	936000/-			4500/-
Purchase of Spare Parts (Chartered Auto Components Pvt. Ltd.)	126012/-			
Purchase of Spare Parts (Chartered Auto Zone Pvt. Ltd.)	172928/-			

6. Employee Benefits:

a) Defined Benefit Plan:

No Liability in respect of present future liability of gratuity has been ascertained and provided in the accounts (Pre. Yr. – Not ascertained and provided for). This is in contravention



with the accounting standard 15 issued by the ICAI, in respect of accounting for retirement benefits.

b) Defined Contribution Plan:

The Company has recognized the following amount in P & L account which is included under contribution to funds.

Particulars	Amounts 2013-14	(In Rs.) 2012-13
Contribution to Provident Fund	12283	9763
7. The companies have not received information's from the suppliers regarding their status under the Micro, small and Medium Enterprises Development Act, 2006. Hence, disclosure, if any relating to amount unpaid as at the balance sheet date together with interest paid or payable as per the requirement under the said act, have not been made.		
8. Investment of the company have been considered by the management to be of long-term nature and hence they are valued at cost of acquisition. In respect of quoted investments where the market value is lower than the acquisition cost, no provision is made for diminution in the value of such investments, since in the opinion of the board it is a temporary phenomenon and no provision is necessary.		
9. In the opinion of the Board, current assets, loans and advances have a value of the least equal to the amounts shown in the Balance sheet, if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.		
10. Figures of the Previous Financial Year 2012-13 have been regrouped / reclassified wherever necessary to conform to the current year classification and presentation.		
11. Expenditure incurred on employees who were in receipt of not less than Rs.60,00,000/- per year if employed through out the year and Rs.500000/- per month if employed for a part of a month -		Rs. NIL
12. Additional information pursuant to the provisions of new schedule VI to the Companies Act, 1956 to the extent applicable, is given below:		
(a) Expenditure in Foreign Currency	:	
CIF Value of Income & Expenses	-	NIL

This is the Balance Sheet referred to in our report of even date.

For VIDYA & CO.

Chartered Accountants
FRN:308022E

Rajendra K. Nagar

Partner
M. No. 057240
Place : Ahmedabad
Date :30th May 2014

ON BEHALF OF THE BOARD OF DIRECTORS

Lalitkumar Gandhi **Harsh Gandhi**
Managing Director Executive Director

Nisha Makwana **Anamika Jajoo**
Chief Financial Officer Company Secretary



CHARTERED LOGISTIC LIMITED

Registered Office: C-1, Jay Tower, Ankur Road, Naranpura, Ahmedabad-380 013.

ATTENDANCE SLIP

Members Folio No. DP ID :

Client ID No. of Share held :.....

Full name of the member attending _____

Name of Proxy _____

I hereby record my presence at the 19th Annual General Meeting convened at C-1, Jay Tower, Ankur Commercial Centre, Naranpura, Ahmedabad-380013 on Friday, the 20th August, 2014.

Member's / Proxy's Signature
(To be signed at the time of handing over this slip)

Note: Members/Join members are requested to bring the attended slip with them.

PROXY FORM

Members Folio No. DP ID :

Client ID

I / We _____ of _____ in the district of _____ being a member / members of the above named Company, hereby appoint Mr. / Mrs. _____ of _____ in the district of _____ or failing him / her Mr. / Mrs. _____ of _____ in the district of _____ as my / our proxy to vote for me / us on my / our behalf at the 19th Annual General Meeting of the Company to be held on Friday, 20th August, 2014 at 11.30 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2014

Signature:

**Affix 15
Paise
Revenue
Stamp**

* Applicable for members holding shares in dematerialised form.

- 1. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of meeting.