



# VIKAS ROAD CARRIERS LTD.

## FLEET OWNERS & TRANSPORT CONTRACTORS

Corporate Office : 178, Chadha House, Mhada Layout, Jankidevi Public School Road, Near New Versova Telephone Exchange, Andheri (W), Mumbai - 400 053. Ph.: 4208 7777 (50 Lines) Fax : 2633 4845 e-mail: info@vikasroadcarriers.com

### NOTICE

NOTICE is hereby given that the **NINETEENTH ANNUAL GENERAL MEETING** of members of **VIKAS ROAD CARRIERS LIMITED**, will be held on 30<sup>th</sup> September, 2014 , at 4.00 pm at the Registered Office of the Company at AG 103, Sanjay Gandhi Transport Nagar, Delhi – 110 042 to transact the following business :

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as at 31<sup>st</sup> March 2014, Statement of Profit and Loss for the period ended 31<sup>st</sup> March 2014, and the Report of the Director's and Auditor's thereon.
2. To appoint a director in place of Mr. Satvinder Singh Chadha (DIN : 0163550) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.



For and on behalf of the Board of Directors

**S. S. CHADHA**  
**DIRECTOR**  
**DIN: 00163550**

**D. S. CHADHA**  
**DIRECTOR**  
**DIN : 02612613**

**Date:** 03.09.2014

**Place:** Delhi

#### NOTES:

1. A member is entitled to appoint a proxy to attend and vote on his/her behalf and that the proxies need not be a member of the company.
2. The proxies to be effective should be received at the Registered office of the company 48 hours before the commencement of the meeting.
3. The explanatory statement pursuant to the notice of the meeting is available for inspection at the registered office of the company between 11.00 am to 3.00 pm on all working days except on Sundays and holidays up to the date of the Annual General Meeting.



AN ISO 9001 : 2000 COMPANY PROVIDING GOODS TRANSPORTATION IN CONTAINERIZED TRUCKS  
CIN : U00732DL1995PLC137678





## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Nineteenth Annual Report together with the audited accounts of the company for the year ended on March 31, 2014:

### OPERATIONS

During the year the company earned an amount of **Rs 8,266.68 Lacs** as against **Rs 7,464.59 Lacs** earned during the corresponding period of previous year. After meeting the expenses the company incurred a loss of **Rs 107.09 Lacs** as against loss of **Rs. 43.64 Lacs** incurred during the previous year. The company is taking all steps to improve the performance.

The application made by the Company for Demerger of its Delhi operations into resulting Company viz. VRC Logistics Private Limited was approved on 1<sup>st</sup> April, 2014. The Company has filed the copy of the Hon'ble Delhi High Court's Order with the Registrar of Companies on 3<sup>rd</sup> May, 2014. The effect of the said demerger will be reflected in the accounts of the current year.

### PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the company has not carried out any manufacturing activities no details of energy consumption is provided in the report.

Efforts are being made for the conservation of energy at all levels.

The foreign currency transaction(s) is given in the notes forming part of the accounts.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
- iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting of fraud and other irregularities;
- iv) They have prepared the annual accounts on a going concern basis.

## **PARTICULARS OF EMPLOYEES**

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **AUDITORS**

M/s. Akshay & Co, Chartered Accountants, the Auditors of the company would retire at the ensuing Annual General Meeting and offer themselves for re-appointment.

You are requested to appoint Auditors and to fix their remuneration.

## **DIRECTORS**

During the year Mr. Satvinder Singh Chadha retires by rotation and being eligible offers himself for reappointment .



### AUDITORS QUALIFICATIONS

The auditor's comments are self explanatory. The same have been noted and necessary steps as may be required is being initiated on the same .

### ACKNOWLEDGEMENTS

The directors thank the shareholders, employees, bankers, Government and semi-government authorities for their co-operation extended to the company.

For and on behalf of the Board of Directors



A handwritten signature in purple ink, appearing to read "S. S. Chadha".

**S. S. CHADHA**  
**DIRECTOR**  
**DIN: 00163550**

A handwritten signature in purple ink, appearing to read "D. S. Chadha".

**D. S. CHADHA**  
**DIRECTOR**  
**DIN : 02612613**

**Date:** 03.09.2014

**Place:** Delhi



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF VIKAS ROAD CARRIERS LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Vikas Road Carriers Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") (Which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs) and in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

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



## Basis for Qualified Opinion

*Attention is invited to Note I(B)(i) of Notes to Financial Statements, the Company has not accounted for Employee Benefits payable to the employees as stipulated in accordance with Accounting Standard Employee Benefit (AS – 15) (Revised 2005). In the absence of actuarial valuation and such other details, we are unable to quantify the effect there of on the loss for the year.*

*Attention is invited to Note 1(B)(o) of Notes to Financial Statements, regarding the Scheme of Arrangement (Demerger) filed by the Company before the Hon'ble Delhi High Court, for the transfer and vesting of business of the Company pertaining to Delhi Operations as a going concern into VRC Logistics Private Limited (being the "resulting Company") with effect from 1st day of April, 2012 (being the "appointed date"). The Scheme of Arrangement, has been approved by the Hon'ble Delhi High Court vide Order dated 1<sup>st</sup> April, 2014 and the Copy of the same has been filed with the Registrar of Companies, Delhi on 3<sup>rd</sup> May, 2014 (being the "Effective Date"). The Company has given the effect of the Scheme of Reconstruction in the accounts for the year ended 31<sup>st</sup> March, 2014. Consequently while preparing the accounts for the year ended 31<sup>st</sup> March, 2014 the Company has not incorporated the Income, Expenditure, Assets and Liabilities of its Delhi operations in its financial statements for the year ended March 31, 2014. In our opinion the treatment given by the Company is not in accordance with the Accounting Standard AS – 4 Contingencies and Events Occurring after Balance Sheet Date. Accordingly the Income, Expenditure, Assets and Liabilities of Company are understated to that extent. Had the Company incorporated the same and given effect of the Scheme of Reconstruction in the F.Y. 2014-15, the income, expenditure would have been higher by Rs. 1,741.07 Lakhs and Rs. 2,223.83 Lakhs respectively and the assets and liabilities would have been higher by Rs. 1,463.85 Lakhs and Rs. 828.18 Lakhs respectively being the Income, Expenditure and Assets, Liabilities of the Delhi Operations of the Company to be held in trust.*

*Attention is invited to Clause V(a) of the annexure to the Independent Auditor's Report, regarding Non – Compliance of provisions of Section 301 of the Companies Act, 1956 and Non – provision of cost of non – compliance. In the absence of details, we are unable to quantify the effect thereof on the loss for the year.*

*Attention is invited to Note I(B)(d) of Notes to Financial Statements, regarding Fixed Assets amount to Rs. 5,13,008/- purchased in the earlier years in the name of one of the director of the Company.*

## Emphasis of Matter

*Attention is invited to Note 15 to the Additional Information, regarding Share Application Money of Rs. 25,78,000/- given to Vikas Okhara Warehousing & Estate Private Limited. The Company has not been allotted shares nor have received the refund of the Share application money. Our opinion is not qualified on the same.*



## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the comments in Basis for Qualified Opinion paragraph above*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date: and
- c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227 (3) of the Act, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
  - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act (Which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs);
  - e) On the basis of the written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Act.
  - f) Since the Central Government has not issued any notification as to the rate at which the Cess is to be paid under section 441A of the Act nor has it issued any



Rules under the said section, prescribing the manner in which such Cess is to be paid, no Cess is due and payable by the Company.

For and on behalf of  
**AKSHAY & CO.**  
CHARTERED ACCOUNTANTS  
Firm Registration No.: 101844W



**A. J. Shah**  
Partner  
Membership No.: 039648  
Place: **Mumbai**  
Dated: **03.09.2014**





**Annexure to the Independent Auditor's Report**

**Referred to in paragraph (1) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.**

- i.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The management informed us that they have physically verified fixed assets in the normal course of the business at regular intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) In our Opinion and according to the information and explanations given to us, a substantial part of fixed assets have not been disposed off by the Company during the year.
- ii.
  - a) We are informed that the inventory has been physically verified during the year by the management periodically, in our opinion, the frequency of verification is reasonable.
  - b) In our opinion, the procedures for the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii.
  - a) The Company has granted unsecured loans to one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was **Rs. 13,84,500/-** and the year end balance is **Rs. NIL/-**
  - b) In our opinion and according to the explanations given to us, there are no stipulations as regards the rate of interest and other terms.
  - c) On the basis of the information and explanations given to us, the parties to whom the amounts have been advanced are repaying the same regularly.
  - d) As per the information and explanations given to us, the amount of loan given is not overdue.
  - e) The Company has taken interest free unsecured loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The



maximum amount outstanding during the year was **Rs. 1,04,00,000/-** and the year end balance is **Rs. Nil/-**

- f) In our opinion and according to the explanations given to us, there are no stipulations as regards the rate of interest and other terms.
- g) In our opinion the requirement of Para iii(g) of the Order as regards payment of the interest and repayment of loan are not applicable to the Company for the year under review and there are no stipulation as regards interest or repayment of loans.
- iv. 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 purchases of inventory and fixed assets and for the sale of goods & services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedure.
- v. In respect of the contract or arrangements referred to in section 301 of the Companies Act, 1956 :
- a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the Register maintained under section 301 of the Companies Act, 1956 have been so entered. *The Company has entered into transactions with parties listed in the Register maintained under section 301 without obtaining prior approval of the Central Government. The application to the Central Government for regularization of the same by the Company is pending. In view of same the Company has not made any provisions for the cost of Non – compliance.*
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Act and exceeding the value of Rupees Five Lacs in respect of any party during the year, have been made at a price which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. In our Opinion and according to the information given to us, the Company has not accepted any deposits from the public within the meaning of provision of section 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rule 1957. According to the information and explanations given to us, no order under the aforesaid section has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal, on the Company.
- vii. The Company has an internal audit system, which in our opinion, is commensurate with the size of the company and nature of its business.



- viii. The maintenance of cost records as prescribed by the Central Government under clause (d) of the sub-section (1) of the section 209 of the Act is not applicable to the Company for the year under review.
- ix. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities except unpaid amount of Rs. 79,970/- being Income Tax for the Assessment Year 2010 – 2011 for which the company is contemplating a necessary rectification application for remission of demand.
- b) According to the records of the Company and the information and explanations given to us, there were no disputed dues on account of Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess as at March 31, 2014. The Details of dues of Income Tax which have not been deposited as on March 31, 2014 on account of disputes are given below:

Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount Involved (Rs. In Lacs)
Income Tax	Income Tax Appellant Tribunal	2002 – 2003	4.08*

(\* The amount represents the balance amount of disputed liability of Rs. 31.08 lacs against which the Company has made a part payment of Rs. 27.00 lacs).

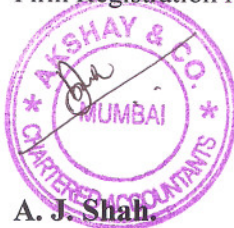
- x. The Company has no accumulated losses as at March 31, 2014 and has not incurred cash losses during the financial year as well as in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues borrowed from any financial institutions or banks or debenture holders.
- xii. Based on our examination of the records and the information and explanations given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of investments in shares and mutual funds and timely entries have been made therein. All the investments have been held by the Company in its own name.
- xv. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantee for the loans taken by other



Company where the Directors are interested from banks or financial institutions during the year. In our opinion are not prejudicial to the interest of the Company.

- xvi. In our opinion, and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which the loans were obtained.
- xvii. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for a long-term investment, and vice-versa.
- xviii. The Company has not made any preferential allotment of shares to parties and companies in the register maintained under Section 301 of the Act during the year.
- xix. The Company has not issued any debentures.
- xx. The Company has not raised any money by public issues during the year.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we have been informed of such case by the management.

For and on behalf of  
**AKSHAY & CO.**  
CHARTERED ACCOUNTANTS  
Firm Registration No.: 101844W



**A. J. Shah**  
Partner  
Membership. No.: 039648  
Place: **Mumbai**  
Dated: **03.09.2014**

# VIKAS ROAD CARRIERS LIMITED

## BALANCE SHEET AS AT 31.03.2014

(Amount in Rs.)

	PARTICULARS	NOTE NO.	As at 31.03.2014	As at 31.03.2013
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholder's Fund</b>			
	Share Capital	2	28,106,310	28,106,310
	Reserves & Surplus	3	22,339,676	93,741,831
	Money received against Share Warrants		-	-
(2)	Share Application Money pending allotment		-	-
(3)	<b>Non-Current Liabilities</b>			
	Long-Term Borrowings	4	59,224,116	10,055,607
	Deferred Tax Liabilities (Net)		-	-
	Other Long-Term Liabilities	5	24,500,000	-
	Long Term Provisions		-	-
(4)	<b>Current Liabilities</b>			
	Short-Term Borrowings	6	155,602,541	164,867,015
	Trade Payables	7	12,746,703	14,917,071
	Other Current Liabilities	8	40,885,044	42,322,972
	Short-Term Provisions	9	1,332,937	563,747
	<b>TOTAL</b>		<b>344,737,327</b>	<b>354,574,553</b>
<b>II.</b>	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	Fixed Assets:			
	- Tangible Assets	10	88,130,709	28,139,274
	- Intangible Assets		-	-
	- Capital Work In Progress	11	-	19,854,368
	- Intangible assets under development		-	-
	Non Current Investments	12	155,687	156,102
	Deffered Tax Assets (Net)	13	1,199,127	3,069,375
	Long-Term Loans & Advances	14	18,933,897	16,430,691
	Other Non Current Assets	15	-	69,600
(2)	<b>Current Assets</b>			
	Current Investments		-	-
	Inventories	16	159,476	-
	Trade Receivables	17	191,006,605	183,860,169
	Cash & Cash Equivalents	18	16,206,851	11,533,577
	Short Term Loans & Advances	19	28,944,976	91,447,476
	Other Current Assets	20	-	13,920
	<b>TOTAL</b>		<b>344,737,327</b>	<b>354,574,553</b>

### Significant Accounting Policies

The notes referred to above form an integral part of the Financial Statements.  
As per our report of even date

**For AKSHAY & CO.**

Chartered Accountants,

Firm Registration No. 101844W

**CA A. J. SHAH**  
Partner

Membership No. : 039648

Place : Mumbai

Date : 03.09.2014



For and on behalf of Board of Directors

**S. S. CHADHA**  
Director

DIN : 00163550

Place : Delhi

Date : 03.09.2014

**D. S. CHADHA**  
Director

DIN : 02612613

**VIKAS ROAD CARRIERS LIMITED**

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

(Amount in Rs.)

	PARTICULARS	NOTE NO.	Current Year (Rs.)	Previous Year (Rs.)
<b>I</b>	<b>Revenue from Operations (Gross)</b>			
	- Sale of Products		-	-
	- Sale of Services	21	826,668,260	746,459,171
	- Other Operating Income	22	4,233,252	4,173,789
	Less: Excise Duty		-	-
	<b>Revenue from Operations (Net)</b>		<b>830,901,513</b>	<b>750,632,961</b>
	Other Income	23	2,724,256	3,326,323
	<b>Total Revenue</b>		<b>833,625,768</b>	<b>753,959,284</b>
<b>II</b>	<b>Expenses:</b>			
	Cost of Materials Consumed		-	-
	Purchase of Stock in Trade		-	-
	Changes in Inventories		-	-
	Employee Benefit Expenses	24	12,458,469	12,875,388
	Finance Cost	25	25,582,315	21,401,364
	Depreciation And Amortisation	10	26,570,614	10,139,582
	Other Expenses	26	777,644,475	711,008,547
	<b>Total Expenses</b>		<b>842,255,873</b>	<b>755,424,880</b>
	Profit before Prior Period Items		(8,630,104)	(1,465,597)
	Prior Period Items		208,764	87,215
	Profit before Exceptional Items		(8,838,869)	(1,552,812)
	Exceptional Items		-	-
	Profit before Extraordinary Items		(8,838,869)	(1,552,812)
	Extraordinary items		-	-
	Profit before Tax		(8,838,869)	(1,552,812)
	<b>Tax Expenses:</b>			
	Current Tax		-	2,811,500
	Less: MAT credit (If Applicable)		-	-
	Current Tax Expenses relating to prior years		-	-
	Net Current tax Expense		-	2,811,500
	Deffered tax		1,870,248	-
	Profit (Loss) for the period		(10,709,117)	(4,364,312)
	Earnings per Equity Share :	27		
	Basic		(3.81)	(1.55)
	Diluted		(3.81)	(1.55)

**Significant Accounting Policies**

1

The notes referred to above form an integral part of the Financial Statements.

As per our report of even date

**For AKSHAY & CO.**

Chartered Accountants,

Firm Registration No. 101844W

**CA A. J. SHAH**

Partner

Membership No. : 039648

Place : Mumbai

Date : 03.09.2014

For and on behalf of Board of Directors



**S. S. CHADHA**

Director

DIN : 00163550

Place : Delhi

Date : 03.09.2014

**D. S. CHADHA**

Director

DIN : 02612613

## VIKAS ROAD CARRIERS LTD.

### **I. Notes forming Part of Financial Statements for the period ended March 31, 2014.**

#### **A. Background**

The Company was incorporated as a Public Limited Company on May 31, 1995 and is primarily engaged in the business of Freight Contractors, Carriage and Freight Agents, Fleet Owners in respect of goods, luggage and freight by road. These financial statements pertain to the period April 1, 2013 to March 31, 2014 and April 1, 2012 to March, 2013 have been prepared pursuant to the requirements of the Companies Act, 1956.

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

##### **a) Basis of preparation of financial statement :**

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

The Balance Sheet of the company as at 31st March 2013 as well as the Statement of Profit & Loss for the year then ended approved by the shareholders at the meeting held on 28th September, 2013, have been amended to reflect the scheme sanctioned by Delhi High Court as mentioned in Note "O" herein and consequently the assets & liabilities of previous year as at 31st March, 2013, have been restated to exclude the assets & liabilities of the business of the company pertaining to Delhi Operations as at 31st March, 2013 and figures in the Profit & Loss account exclude the results of business of the company pertaining to Delhi Operations for the period 1st April 2012 to 31st March 2013 and therefore the previous year numbers are restated. Hence, may not be comparable.



b) **Use of Estimation :**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) **Revenue Recognition :**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue in respect of booking freight is recognised on mercantile basis. Service income is recognised as per the terms of contracts with customers when the related services are performed.

Dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognised on the time proportionate method.

Revenue in respect of Insurance and other claims is recognised when no significant uncertainty exists with regard to the amount to be realised.

d) **Tangible Assets :**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Direct costs relating to trucks are capitalised until the trucks are ready to be put to use. These costs include cost of chassis, cabin, containers frame, tools and accessories and expenses on insurance. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use is capitalised. The fixed assets include a motor car of Rs. 4,64,728/- and Motor Bike of Rs. 44,280/- purchased in the name of one of the directors. The said assets are used exclusively for the purpose of the Company.





e) **Depreciation and amortization :**

Depreciation on fixed assets is provided on the written down value method (WDV Method), as per the rates provided in Schedule XIV of the Companies Act, 1956. Decrease in amount of historical cost due to price adjustments is deducted from the outstanding written down value on the date of change and depreciation on the revised written down value is provided prospectively over the remaining useful life of asset. Assets individually costing less than Rs. 5,000/- are debited to Profit & Loss Account in the year of acquisition.

f) **Borrowing Cost :**

- i) Borrowing cost attributable to acquisition and / or construction of qualifying assets is capitalized as cost of such assets up to the date when such asset is ready for its intended use.
- ii) Borrowing cost on working capital is charged to Profit & Loss Account.

g) **Investments :**

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual Investment. Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

h) **Inventories :**

Inventories consists of consumables items and is valued at its acquisition cost as certified by the management.

i) **Employee Benefits :**

Contributions payable to the recognised Provident Fund and Employees' State Insurance Corporation in respect of few employees are accounted on accrual basis and charged to the profit & loss account for the year.

The Company has made contribution to the Group Gratuity Scheme of LIC in respect of few employees of the Company.



j) **Foreign currency transactions and balances :**

Foreign currency transactions, if any, are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss except that exchange differences related to acquisition of fixed assets are adjusted in the carrying amount of the related fixed assets.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date not covered by forward exchange contracts are translated at year-end rates. The resultant exchange differences (except those related to acquisition of fixed assets) are recognised in the Statement of Profit and Loss.

Forward contracts if any, are entered into to hedge currency risk of the underlying outstanding at the Balance Sheet date. The premium or discount on all such contracts arising at the inception of each contract is amortised as expense or income over the life of the contract. The exchange differences on such a forward exchange contract is the difference between (i) the foreign currency amount of the contract translated at the exchange rate on the reporting date, or the settlement date where the transaction is settled during the reporting period and (ii) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract or the last reporting date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or expense for the period.

k) **Income-tax expense :**

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax provisions that may become necessary due to certain developments or reviews during the relevant period. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income taxes, if any, reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.



The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

l) **Earnings per share** :

Basic earnings and Diluted earnings per share are calculated by dividing, the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

Particulars	Current Year (in Rs.)	Previous Year (in Rs.)
<b>Earnings:</b> Net Loss after Tax	(1,07,09,117)	(43,64,312)
<b>No. of Shares:</b>		
Weighted average number of equity shares outstanding during the year	28,10,631	28,10,631
<b>Basic Earnings per share (in Rs.)</b>	<b>(3.81)</b>	<b>(1.55)</b>
Weighted average number of equity shares (Including Potential equity shares) outstanding during the year	28,10,631	28,10,631
<b>Diluted Earnings per share (in Rs.)</b>	<b>(3.81)</b>	<b>(1.55)</b>

m) **Provisions and contingent liabilities** :

A provision is recognized when the Company has a present obligation as a result of past events; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions 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. A contingent liability is disclosed by way of Notes to Accounts, unless the possibility of an outflow of resources embodying the economic benefit is remote.



n) **Impairment of assets :**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.]

o) **Demerger:**

Pursuant to the Scheme of Arrangement and Demerger ("the Scheme") under Section 391 to 394 of the Companies Act, 1956 between Vikas Road Carriers Limited ("the demerged company") and VRC Logistic Private Limited ("the resulting company") approved by the Honorable High Court of Judicature at Delhi on April 1, 2014 –

- i. all rights (inclusive of the leasehold rights), assets, liabilities, business operations and activities pertaining and relating to Delhi operations of the Company carried out by the demerged company ("the demerged undertaking") as on the appointed date (April 1, 2012) have been transferred to the resulting company at their respective book values.
- ii. the summary of assets and liabilities transferred to the resulting company as on April 1, 2012 is as given below :-

<b>Particulars</b>	<b>Amount (In Rs.)</b>	<b>Amount (In Rs.)</b>
Tangible Assets (Net)	2,19,73,845	
Long Term Loans and Advances	10,00,370	
Current Assets	12,24,90,069	14,54,64,285
<b><u>Less :</u></b>		
Long – Term Borrowings	49,17,626	
Short – Term Borrowings	6,94,88,286	
Trade payables	1,64,603	
Other Current liabilities	73,05,041	8,18,75,557
<b>Net Asset Transferred</b>		<b>6,35,88,728</b>



- iii. The resulting company shall issue 28,10,631 equity shares of Rs. 10/- each as fully paid-up aggregating to Rs. 2,81,06,310/- to the existing shareholders of the demerged company as on the record date in the ratio of One equity share of Rs. 10/- each fully paid-up of the resulting Company for every One equity share of Rs. 10/- each held in the demerged company.
- iv. The difference between the value of assets and the value of liabilities transferred amounting to Rs. 6,35,88,728/- has been adjusted against Securities Premium Account to the extent of Rs. 3,51,08,370/- and surplus in Profit & Loss Account to the extent of Rs. 2,84,80,358/- in the books of the Company in accordance with Clause 6.2.1 of the Scheme of Demerger.
- v. All the employees engaged in the demerged undertaking of the company shall become the employees of the resulting company on the basis that their service shall have been continuous and shall not be interrupted by reason of the demerger. Provident fund, gratuity fund and any other special fund existing for the benefit of the employees of the demerged undertaking of the demerged company shall stand substituted. All rights, duties, power and obligation of the demerged company in relation to such funds shall become those of the resulting company.
- vi. All legal or other proceedings initiated by or against the demerged company in respect of the demerged undertaking shall be transferred in the name of the resulting company and be continued, prosecuted and enforced by or against the resulting company to the exclusion of the demerged company.
- vii. The title deeds for properties, licenses, agreements, loan documents etc. pertaining to the demerged undertaking are in the process of being transferred in the name of VRC Logistics Private Limited.



NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2014

2 SHARE CAPITAL :

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<b><u>EQUITY SHARE CAPITAL :</u></b>				
<b><u>Authorized Share Capital :</u></b>				
34,00,000 Equity Shares of Rs. 10/- each (Previous Year 34,00,000 Equity Shares of Rs.10/- each)		34,000,000		34,000,000
<b>TOTAL</b>		<b>34,000,000</b>		<b>34,000,000</b>
<b><u>Issued, Subscribed and Fully Paid - up Share Capital :</u></b>				
2,810,631 Equity Shares Of Rs. 10/- Each (Previous Year - 28,10,631 Equity Shares Of Rs. 10/- Each)		28,106,310		28,106,310
<b>TOTAL</b>		<b>28,106,310</b>		<b>28,106,310</b>

Additional Information:

- 2.1 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- . Each holder of equity shares is entitled to one vote per share.
- 2.2 The Company has issued Nil shares as bonus shares out of free reserves during the period of five years immediately preceding date of Balance Sheet.
- 2.3 During the year Company has not issued any shares.
- 2.4 The reconciliation of the number of shares outstanding as at March 31, 2014 and March 31, 2013 is set out below:

PARTICULARS	As at 31.03.2014 ( Nos of Shares )		As at 31.03.2013 ( Nos of Shares )	
<b><u>Equity Shares of Rs. 10 each :</u></b>				
Opening number or amount of shares outstanding		2,810,631		2,810,631
Add: Shares issued during the year		-		-
Less: Shares forfeited during the year		-		-
<b>Closing number of shares outstanding</b>		<b>2,810,631</b>		<b>2,810,631</b>



2.5 The shareholder(s) holding more than 5% shares as at March 31, 2014 and March 31, 2013 are :

PARTICULARS	As at 31.03.2014 ( Nos of Shares )		As at 31.03.2013 ( Nos of Shares )	
	<b><u>Equity Shares of Rs. 10 each :</u></b>			
Satvinder Singh Chadha	30.18%	848,208	30.18%	848,208
Iqbal Kaur Chadha	18.35%	515,847	18.35%	515,847
Harvinder Singh Chadha	30.10%	846,131	30.10%	846,131
Saranjeet Kaur Chadha	14.00%	393,349	14.00%	393,349
<b>TOTAL</b>		<b>2,603,535</b>		<b>2,603,535</b>

3 **RESERVES & SURPLUS :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
	<b><u>Surplus in Statement of Profit and Loss :</u></b>			
Opening Balance	58,633,461		62,997,773	
Add : Reserve and Surplus transferred from Delhi	2,895,690		-	
Less : Utilized During the Year	28,480,358		-	
Add : Addition during the Year	(10,709,117)	22,339,676	(4,364,312)	58,633,461
<b><u>Share Premium :</u></b>				
Opening Balance	35,108,370		35,108,370	
Add : Addition during the Year	-		-	
Less : Utilized during the Year	35,108,370	-	-	35,108,370
<b>TOTAL</b>		<b>22,339,676</b>		<b>93,741,831</b>

Additional Information:

3.1 For utilization during the year, refer Note No. I(B)(o)(iv) to the Notes to Account.

4 **LONG TERM BORROWINGS :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
	<b><u>Secured Borrowings:</u></b>			
Loans for Financing Cars		2,304,718		3,199,185
Loans for Financing Trucks		56,919,398		6,856,422
<b>TOTAL</b>		<b>59,224,116</b>		<b>10,055,607</b>

Additional Information:

4.1 The Loans for financing Cars is secured against hypothecation of cars.

4.2 The Loans for Financing Trucks is secured against hypothecation of trucks and personal gurantee of directors.



5 **OTHER LONG TERM LIABILITIES :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Inter Corporate Deposit from DataSoft Infotech (India) Ltd		24,500,000		-
<b>TOTAL</b>		<b>24,500,000</b>		<b>-</b>

6 **SHORT TERM BORROWINGS :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<u>Secured :</u> Working Capital Loan		155,602,541		164,867,015
<b>TOTAL</b>		<b>155,602,541</b>		<b>164,867,015</b>

*Additional Information:*

6.1 The Working Capital Loan is secured against the hypothecation of Stock and Debtors.

7 **TRADE PAYABLES :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Outstanding dues of creditors - other than Micro, Small and Medium Enterprises		12,746,703		14,917,071
<b>TOTAL</b>		<b>12,746,703</b>		<b>14,917,071</b>

*Details of dues to Micro, Small and Medium Enterprises*

7.1 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with the interest and accordingly no additional disclosure(s) have been made.

7.2 The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.





8 **OTHER CURRENT LIABILITIES :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<b><i>Other Payables :</i></b>				
Advance for Plot at Kalamboli	7,800,000		-	
Creditors for Expenses	10,871,406		4,631,250	
Creditors for Assets	-		19,610,345	
TDS Payable	43,334		3,955	
Interest payables	-		23,064	
Service Tax Payable	113,455	18,828,194	83,294	24,351,907
<b><i>Current Maturities of Long term Debts :</i></b>				
Installments due in next year for financing Trucks	21,077,076		16,764,461	
Installments due in next year for financing Cars	979,774	22,056,850	1,206,604	17,971,065
<b>TOTAL</b>		<b>40,885,044</b>		<b>42,322,972</b>

9 **SHORT TERM PROVISIONS :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<b><i>Provision for FBT</i></b>				
A.Y.2009-2010		18,400.00		18,400
<b><i>Provision for Wealth Tax</i></b>				
A.Y.2009-2010	947		947	
A.Y.2010-2011	1,990		1,990	
A.Y.2011-2012	1,010		1,010	
A.Y.2013-2014	40	3,987.00	11,500	15,447
<b><i>Provision for Income Tax</i></b>				
A.Y.2013-2014		1,310,550		529,900
<b>TOTAL</b>		<b>1,332,937</b>		<b>563,747</b>

11 **CAPITAL WORK IN PROGRESS**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Trucks (Under Chassis Building)		-		19,854,368
<b>TOTAL</b>		<b>-</b>		<b>19,854,368</b>



**VIKAS ROAD CARRIERS LTD.**

**10. TANGIBLE ASSETS :**

*(Amount in Rs.)*

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2013	Additions	Deductions	As at 31.03.2014	As at 01.04.2013	For the Year	On asset sold during the year	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
Land	288,000	-	-	288,000	-	-	-	-	288,000	288,000
Buildings	1,159,000	-	-	1,159,000	397,482	38,076	-	435,558	723,442	761,518
Trucks & Containers	48,692,664	86,133,555	1,112,994	133,713,225	31,080,632	24,129,603	1,094,760	54,115,475	79,597,750	17,612,032
Motor Cars	11,517,345	77,500	2,011,890	9,582,955	4,957,125	1,702,617	1,623,056	5,036,686	4,546,269	6,560,220
Motor Tempo	823,542	-	-	823,542	804,823	7,488	-	812,311	11,231	18,719
Office Equipments	1,976,253	174,409	-	2,150,662	987,515	149,958	-	1,137,473	1,013,189	988,738
Computers	3,287,351	73,400	-	3,360,751	2,599,255	298,182	-	2,897,437	463,314	688,096
Furniture & Fixture	1,179,702	13,300	-	1,193,002	790,040	72,660	-	862,700	330,302	389,662
Plant & Machinery	1,157,027	496,953	-	1,653,980	324,738	172,030	-	496,768	1,157,212	832,289
<b>TOTAL</b>	<b>70,080,884</b>	<b>86,969,117</b>	<b>3,124,884</b>	<b>153,925,117</b>	<b>41,941,610</b>	<b>26,570,614</b>	<b>2,717,816</b>	<b>65,794,408</b>	<b>88,130,709</b>	<b>28,139,274</b>
<b>PREVIOUS YEAR</b>	<b>60,331,308</b>	<b>18,607,598</b>	<b>8,858,022</b>	<b>70,080,884</b>	<b>40,537,602</b>	<b>10,139,582</b>	<b>8,735,574</b>	<b>41,941,610</b>		

\*\*Out of the Fixed Assets purchased during the earlier financial year(s), a Motor car of Rs. 4,64,728/- and a Motor Bike of Rs. 44,280/- is in the name of one of the Directors. We have been informed that the said vehicles are wholly and exclusively used by the Company.



12 NON CURRENT INVESTMENTS :

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<b>Trade Investments :</b>				
Investments in Mutual Funds	31,309		31,309	
Less: Provision for Diminution in value of Investments	-	31,309	-	31,309
Investments in Shares	271,765		271,765	
Less: Provision for Diminution in value of Investments	(147,388)	124,377	(146,973)	124,792
<b>TOTAL</b>		<b>155,687</b>		<b>156,102</b>

13 DEFERRED TAX ASSET (NET)

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<b>Deferred Tax Asset</b>				
Difference in depreciation and amortization for accounting and income tax purpose		1,199,127		3,069,375
<b>TOTAL</b>		<b>1,199,127</b>		<b>3,069,375</b>

**Additional Information**

- 13.1 Deferred Tax effect is given when there is a timing difference which is a accounting difference which when reverse tomorrow will result in higher tax or lower tax tomorrow.

14 LONG-TERM LOANS & ADVANCES :

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<b>Secured, Considered Good :</b>				
Security Deposits	6,491,452		5,653,496	
Accrued Interest on Security Deposits	105,300	6,596,752	85,500	5,738,996
<b>Other Loans and Advances :</b>				
<b>Advance Tax &amp; TDS (Net)</b>				
A.Y.2000-2001	1,264,139		1,264,139	
A.Y.2001-2002	785,717		785,717	
A.Y.2002-2003	3,165,255		3,165,255	
A.Y. 2006-2007	245,649		245,649	
A.Y. 2007-2008	501,499		501,499	
A.Y. 2008-2009	496,874		496,874	
A.Y.2009-2010	46,446		46,446	
A.Y.2010-2011	54,032		54,032	
A.Y.2011-2012	46,388		46,388	
A.Y.2012-2013	169,059		169,059	
A.Y.2014-2015	1,588,174		-	
TDS Paid Extra (A.Y.2009-2010)	578,630		578,630	
Wealth Tax (AY 2012 - 2013)	120		120	
<b>Others</b>				
Insurance Claim recoverable	380,717		338,145	
Advances to Staff	3,014,447	12,337,146	2,999,743	10,691,696
<b>TOTAL</b>		<b>18,933,897</b>		<b>16,430,691</b>



15 **OTHER NON CURRENT ASSETS :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Preliminary Expenses		-		69,600
<b>TOTAL</b>		-		<b>69,600</b>

16 **INVENTORIES :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Stock of Tyres & Tubes		159,476		-
<b>TOTAL</b>		<b>159,476</b>		<b>-</b>

17 **TRADE RECIEVABLES :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
a) <u>Debts outstanding for more than 6 months</u>				
Unsecured considered good		1,338,375		65,855,767
b) <u>Debts outstanding for less than 6 months</u>				
Unsecured considered good		189,668,229		118,004,402
<b>TOTAL</b>		<b>191,006,605</b>		<b>183,860,169</b>

18 **CASH & CASH EQUIVALENTS AND OTHER BANK BALANCES :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Balance with Banks		11,890,685		10,234,276
Cash on hand		4,316,166		1,299,301
<b>TOTAL</b>		<b>16,206,851</b>		<b>11,533,577</b>

18.1 **Details of balances with Banks**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Balances with banks		6,572,873		4,045,941
Margin money deposited with bank		5,307,812		6,188,335
<b>TOTAL</b>		<b>11,880,685</b>		<b>10,234,276</b>



19 **SHORT TERM LOANS & ADVANCES :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
<b><u>Unsecured, Considered Good:</u></b>				
Advance to Directors		196,090		-
Advance to Suppliers		1,600,740		543,940
Share Application Money given		2,578,000		2,578,000
Other Loan and advances (Recoverable Amount)		9,036,625		320,100
Claim Receivable		716,000		-
Delhi Branch Balance		-		65,406,084
VRC Logistics Pvt Ltd		5,913,046		-
Other Branch Balances		1,277,118		18,507,583
Advance(s) for Expenses		1,077,201		1,518,982
Advances to Drivers for Expenses ( Truck Advance)		4,030,868		1,248,290
Prepaid expenses		2,519,288		1,324,497
<b>TOTAL</b>		<b>28,944,976</b>		<b>91,447,476</b>

20 **OTHER CURRENT ASSETS :**

(Amount in Rs.)

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
Preliminary Expenses		-		13,920
<b>TOTAL</b>		<b>-</b>		<b>13,920</b>

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS AS AT 31.03.2014

21 **SALE OF SERVICES :**

(Amount in Rs.)

PARTICULARS	Current Year		Previous Year	
Freight Income		826,668,260		746,459,171
<b>TOTAL</b>		<b>826,668,260</b>		<b>746,459,171</b>

22 **OTHER OPERATING INCOME :**

(Amount in Rs.)

PARTICULARS	Current Year		Previous Year	
Other Operating Income		4,233,252		4,173,789
<b>TOTAL</b>		<b>4,233,252</b>		<b>4,173,789</b>



23 **OTHER INCOME :**

(Amount in Rs.)

PARTICULARS	Current Year		Previous Year	
Miscellaneous Income		1,863,150		2,276,870
Interest Income		710,924		799,737
Dividend Income		3,209		1,210
Adjustment of carrying amount of Investment		146,973		141,556
Exchange Gain		-		106,950
<b>Total</b>		<b>2,724,256</b>		<b>3,326,323</b>

24 **EMPLOYEE BENEFIT EXPENSES :**

(Amount in Rs.)

PARTICULARS	Current Year		Previous Year	
<b>Salaries &amp; Wages :</b>				
Salaries & Wages	6,625,094		7,370,240	
Directors Remuneration	4,200,000	10,825,094	4,200,000	11,570,240
<b>Contribution to Provident Fund and Other Funds :</b>				
Provident Fund	674,591		538,725	
ESIC	389,169	1,063,760	161,345	700,070
Staff welfare Expenses		569,615		605,078
<b>Total</b>		<b>12,458,469</b>		<b>12,875,388</b>

25 **FINANCE COSTS :**

(Amount in Rs.)

PARTICULARS	Current Year		Previous Year	
Interest on Secured & Unsecured Loans		5,486,077		3,028,698
Interest on Bank Loan & Cash Credit		19,302,936		17,680,056
Bank Charges and Commission		793,302		692,610
<b>Total</b>		<b>25,582,315</b>		<b>21,401,364</b>



26 OTHER EXPENSES :

(Amount in Rs.)

PARTICULARS	Current Year		Previous Year	
<b><u>Operating Expenses :</u></b>				
Clearing & forwarding charges	8,581,669		7,734,099	
Freight Expenses	618,371,382		653,091,056	
Local freight	11,426,154		11,584,822	
Truck Expenses	-		2,812,577	
Repairs and Maintenance (Trucks)	4,845,341		535,904	
Enroute Taxes	1,445,465		1,237,109	
Purchase of Fuel for Trucks	92,880,666		12,198,335	
Truck Running Expenses	15,373,509		2,970,366	
Other Operating Expenses	8,298,710	761,222,896	4,590,899	696,755,166
<b><u>Non Operating Expenses :</u></b>				
<b><u>Auditors Remuneration :</u></b>				
- As Audit Fees	168,540		123,590	
- For Taxation Matters	101,124		139,632	
- For Company Law Matters	35,708	305,372	-	263,222
<b><u>Others :</u></b>				
Non Operating Expenses	14,005,218		13,619,706	
Adjustment Carrying Amount of Investment	147,388		146,973	
Insurance	1,963,600	16,116,207	223,480	13,990,159
<b>Total</b>		<b>777,644,475</b>		<b>711,008,547</b>

123,590

-

27 EARNINGS PER SHARE :

PARTICULARS	Current Year		Previous Year	
<b><u>Computation of Basic earning per share and Diluted earning per share</u></b>				
Net Profit for the year		(10,709,117)		(4,364,312)
Weighted average number of shares outstanding during the year.		2,810,631		2,810,631
<b>Basic eraning per share</b>		<b>(3.81)</b>		<b>(1.55)</b>
Weighted average number of shares (including potential equity shares) outstanding during the year		2,810,631		2,810,631
<b>Diluted earning per share</b>		<b>(3.81)</b>		<b>(1.55)</b>



## Additional Information:

### 1) Related party disclosures :

- a) The related parties where control exists are the associates. There are no other parties over which the Company has control.
- b) Related parties where control / significant influence exists or with whom transactions have taken place during the year:

#### **Key Management Personnel represented on the Board**

- Mr. Harvinder Singh Chadha
- Mrs. Saranjeet Kaur Chadha
- Mr. Satvinder Singh Chadha.
- Mrs. Iqbal Kaur Chadha.
- Mr. Jas Karan Singh Chadha
- Mr. Daman Deip Singh Chadha
- Mrs. Aleena Chadha (Alias Aleena Bhatia)

#### **Associates:**

- VRC Logistics Pvt Ltd.
- Veetrag Money Management Pvt Ltd.

- c) Disclosure of Related Parties with whom no business transactions took place during the year, enterprises over which the key management personnel and relative of such personnel is able to exercise significant influence.

- Raj Traders
- United Road Transport Corporation
- Pioneer Trading Corporation
- Vikas Okhara Warehousing and Estate Private Limited

- d) Particulars of related party transactions

The following is a summary of significant related party transactions:

(Amount in Rs)

Particulars	Associates	KMP	Total
	(Rs.)	(Rs.)	(Rs.)
Loans Given	NIL (67,00,000.00)	13,84,520.00 (80,55,000.00)	13,84,520.00 (1,47,55,000.00)
Repayment of above	NIL (67,00,000.00)	13,84,520.00 (80,55,000.00)	13,84,520.00 (1,47,55,000.00)
Loans Taken	12,00,000.00 (NIL)	1,04,00,000.00 (1,87,00,000.00)	1,16,00,000.00 (1,87,00,000.00)
Repayment of above	12,00,000.00 (NIL)	1,04,00,000.00 (1,87,00,000.00)	1,16,00,000.00 (1,87,00,000.00)
Remuneration paid	NIL (NIL)	42,00,000.00 (42,00,000.00)	42,00,000.00 (42,00,000.00)





Freight Receipts	42,79,848.00 (NIL)	NIL (NIL)	42,79,848.00 (NIL)
Amount Recoverable	59,13,046.00 (NIL)	1,96,090.00 (NIL)	61,09,136.00 (NIL)
Amount Payable	13,06,585.50 (NIL)	NIL (NIL)	13,06,585.50 (NIL)
Guarantees given and loan documents executed as Co – Borrower.	50,00,000 (NIL)	NIL (NIL)	50,00,000 (NIL)

\*\*Figures in bracket pertains to Previous Year

2) **Director's Remuneration :**

Particulars	Current Year (in Rs.)	Previous Year (in Rs.)
Salaries	42,00,000	42,00,000

3) **Auditor's remuneration :**

Particulars	Current Year (In Rs.)	Previous Year (In Rs.)
Audit fees	1,68,540	1,23,950
For Taxation & other services	1,36,832	1,39,632
<b>TOTAL</b>	<b>3,05,372</b>	<b>2,63,222</b>

4) **Interest in Joint Venture :**

The Company has applied for acquiring shares of Vikas Okhara Warehousing and Estate Private Limited a joint venture, for Warehousing and Buying, Selling and Development of properties. However, the allotment of shares by the said Company is pending due to completion of necessary formalities of increase of their authorised share capital. The Company has initiated the necessary process for obtaining the refund of the said amount and have been assured by the management of Vikas Okhara Warehousing and Estate Private Limited for refund of the said amount in near future. The management of the Company is optimistic of the recovery of the said amount.

5) **CIF Value of Imports:**

	(Amount in Rs.)	
	2014	2013
Raw materials	NIL	NIL
Capital equipment (including spares and components)	NIL	66,96,518



6) **Expenditure / Earnings in foreign currency:**

	(Amount in Rs.)	
	<u>2014</u>	<u>2013</u>
Expenditure	NIL	66,96,518
Earnings	NIL	NIL

7) **Segment information :**

The Group's operations are predominantly confined to one segment i.e. Transportation and mostly within India and as such there are no reportable sectorial and geographical segments.

8) In the opinion of the Board, the current assets, loans and advances have value, on realisation in the ordinary course of business, at least equal to the amount at which they are stated.

9) No personal expenses, other than those payable under contractual obligation or in accordance with generally accepted business practices, have been charged to revenue account.

10) The balances of Sundry Debtors, Sundry Creditors, Secured Loans and Loans & advances are subject to confirmation.

11) Since the Company is engaged in the transportation business the particulars regarding licensed/installed capacity vis-à-vis production is not applicable.

12) There were no employees, who being employed throughout the year and were in receipt of remuneration exceeding Rs. 6,000,000/- p.a. (Previous Year 6,000,000/- p.a.) or who being employed for part of the year were in receipt of remuneration exceeding Rs. 500,000/- per month. (Previous year Rs. 500,000/- per month).

13) **Leases :**

The Company has entered into agreements in the nature of lease and leave and license agreements with different lessees/licensors for the purpose of establishment of office premises, residential accommodation for employees. These are in the nature of cancellable operating leases. The necessary particulars as per the Accounting Standard 19 with regard to the above are as under:

a) Payments recognised in the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2014:

i. For office premises /residential accommodation for employees Rs. 16,86,885/- (Previous Year Rs. 17,34,000/-)

ii. There are no transactions in the nature of sub-lease.



iii. Period of agreement is for the period from 11 months to 3 Years and is renewable at the option of the lessor/licensor as well as the lessee/licensee.

14) The Company has verbally informed all the suppliers to intimate whether they are covered under the Micro, Small and Medium Enterprises Act, 2006. The Company has informed that, no written or verbal intimation from any supplier of goods or services is received in this respect. The auditors have relied on the representation of the management in this regard. In the absence of necessary information, to identify the supplier as Micro, Small or Medium Enterprise, no provision of interest is made on the amount outstanding.

**15) Commitments and contingent liabilities:**

Contingent Liabilities not provided for in respect of:

	2014 (Rs. In Lacs)	2013 (Rs. In Lacs)
(i) Commitments/Contingent liabilities:		
(a) Guarantees issued by banks	289.31	218.44
(b) Guarantees issued by the Company on behalf of subsidiaries and associates	NIL	NIL
(c) Contingent consideration payable in respect of subsidiaries and associates	NIL	NIL
(d) Letters of credit outstanding	NIL	NIL
(ii) Claims against the Company not acknowledged as debts in respect of:		
(a) Income tax matters, pending decisions on various appeals made by the Company and by the Department	31.08	31.08
(b) Excise matters, under dispute	NIL	NIL
(c) Sales tax matters, under dispute	NIL	NIL
(d) Other matters, under dispute	NIL	NIL
(iii) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net advances)	NIL	NIL



16) Figure for previous year been regrouped and reclassified wherever necessary.

**FOR VIKAS ROAD CARRIERS LTD.**



A handwritten signature in purple ink, appearing to read "S. S. Chadha".

**S. S. CHADHA  
DIRECTOR  
DIN: 00163550**

A handwritten signature in purple ink, appearing to read "D. S. Chadha".

**D. S. CHADHA  
DIRECTOR  
DIN : 02612613**



**VIKAS ROAD CARRIERS LTD.**

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

	March 31, 2014		March 31, 2013	
	Total (Rs.)	Total (Rs.)	Total (Rs.)	Total (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Tax and Extra - Ordinary Items		(8,630,104)		(1,465,597)
<u>Adjustments for:</u>				
Add: Depreciation	26,570,614		10,139,582	
Provision for Dimution in value of Investment	147,388		146,973	
Preliminary Expenses Written Off	83,520	26,801,522	13,920	10,300,475
		<b>18,171,418</b>		<b>8,834,878</b>
Less: Reversal for Provision for Dimution in Value of Mutual Funds	-		2,423	
Reversal for Provision for Dimution in Value Of Shares	146,973		139,133	
Interest Income	710,924		799,737	
Dividend Income	3,209		1,210	
Profit on Sale of Assets	442,932		2,095,602	
Prior Period Items	208,764	1,512,802	87,215	3,125,320
Operating Profit before Working Capital Changes		<b>16,658,616</b>		<b>5,709,558</b>
<u>Adjustments for:</u>				
<u>(Increase) / Decrease in Net Current Assets</u>				
Increase / Decrease in Current Assets		52,693,382		3,908,973
Increase / Decrease in Current Liability		(12,103,578)		19,631,828
Cash Generation from Operations		<b>57,248,420</b>		<b>29,250,359</b>
Net Cash (used in) from Operating Activities (A)		<b>57,248,420</b>		<b>29,250,359</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed Assets		(67,114,749)		(38,461,966)
Sale of Fixed Assets		850,000		2,218,049
Assets / Liabilities transferred in the scheme of Demerger		(60,693,038)		-
Dividend Received		3,209		1,210
Interest Received		710,924		799,737
Net Cash (used in) from Investing Activities (B)		<b>(126,243,654)</b>		<b>(35,442,970)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Acceptance of Secured Loans (Net)		73,668,509		7,018,787
Net Cash (used in) from Financing Activities (C)		<b>73,668,509</b>		<b>7,018,787</b>
Net Increase in Cash and Cash equivalents (A) + (B) + (C)		<b>4,673,274</b>		<b>826,176</b>
Opening Balance of Cash and Cash equivalents		<b>11,533,577</b>		<b>10,707,401</b>
Closing Balance of Cash and Cash equivalents		<b>16,206,851</b>		<b>11,533,577</b>

In terms of our report attached of even date.

For Akshay & Co.

Chartered Accountants

Firm Registration No. 101844W

  
**CA A. J. Shah**  
 Partner  
 Membership No. 039648  
 Place : Mumbai  
 Date : 03.009.2014



For and on behalf of the Board of Directors

  
**S. S. Chadha**

Director

DIN : 00163550

Place : New Delhi

Date : 03.009.2014



**D. S. Chadha**

Director

DIN : 02612613