



### Director's Report

To,  
The Members of  
SHREEJI TRANSPORT SERVICES PRIVATE LIMITED

Your Directors have pleasure in presenting the Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2015.

### FINANCIAL HIGHLIGHTS

Particulars	Current year	Previous Year
Sales	918578197	800563226
Other Income	12978658.00	6674728.00
<b>Total Income</b>	<b>931556855</b>	<b>807237954</b>
Depreciation	45619725.00	44657377.00
Tax		
Current Tax	3058278.00	2596349.00
Deferred Tax	-262297.00	2658604.00
<b>Profit/(Loss) after Tax</b>	<b>5658201</b>	<b>3068683</b>
Earnings per share (Rs.) :		
Basic	0.00	0.00
Diluted	0.00	0.00

### STATE OF COMPANY'S AFFAIRS

During the year under review, the total Income of the Company was Rs 931556855/- against Rs 807237954/- in the previous year. The Company has earned a Profit after tax of Rs 5658201/- compared to Rs 3068683/- in the previous year. Your Directors are continuously looking for avenues for future growth of the Company.

### DIVIDEND

Your Directors do not recommend any dividend for the year ended 31st March, 2015.

### MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES –

As on March 31, 2015, the Company does not have any subsidiary/joint venture/associate companies.

**CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the company.

**ANNUAL RETURN**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: 1)**

**MEETINGS OF THE BOARD OF DIRECTORS**

The following Meetings of the Board of Directors were held during the Financial Year 2014-15:

SN	Date of Meeting	Board Strength	No. of Directors Present
1	01/04/2014	3	3
2	30/05/2014	3	3
3	02/06/2014	3	3
4	25/08/2014	3	3
5	29/12/2014	3	3
6	19/01/2015	3	3
7	06/08/2014	3	3

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had 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 profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION BY INDEPENDENT DIRECTORS**

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

**STATUTORY AUDITOR AND AUDITORS' REPORT**

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, M/s. Sanjay C. Shah & Associates, Chartered Accountants (Firm Registration No. 128148W), are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of



the Annual General Meeting of the Company to be held in the year 2019, (subject to ratification of their re-appointment at every Annual General Meeting), at a remuneration to be mutually agreed by them with the Board of Directors of the Company and that they be paid in addition the out of pocket expenses and/or travelling expenses they may incur in carrying out their duties as Auditors.

### **BOARD'S RESPONSE TO OBSERVATIONS, QUALIFICATIONS AND ADVERSE REMARK IN AUDITOR'S REPORT**

The statutory Auditor has qualified the opinion in relation to matters specified in Note No.26 of Notes on Financial Statement for the year ended 31<sup>st</sup> March 2015. The Board's responses to the qualifications and other observations or adverse remarks are as follows: -

#### **Auditor's Observation: -**

*As stated in Note No.26 of Notes on Financial Statement, No Post Employment Benefit has been provided for the period in the financial statements. This is in contravention to accounting standard (AS) 15 on "Employee Benefits" issued by the Institute of Chartered Accountants of India. Had the Company made provision for Post Employment Benefit in accordance with Accounting Standard 15 supra, the Loss of the Company would have increased by the amount of provision so made and Shareholders' Fund would have been lower to that extent. In the absence of actual Valuation of post Employment Benefit available with the Company I am unable to quantify the amount by which loss is understated and Shareholder's Funds are overstated.*

#### **Board's Response: -**

Company is engaged in the business of acting as transport contractor. In this type of business, the staff turnover for those are directly engaged in operations is very high that it is very unlikely that Staff will continue for 5 years to be eligible for post retirement benefits. Accordingly Management is of the opinion provision for such Employees is not required.

However, Company is in the process of commencing making of provision for Gratuity for the Administrative and other staff and hence the same shall be reflected in the accounts of coming years.

### **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

The provisions as to Secretarial Audit Report are not applicable to the Company.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As the Company has not accepted any deposits from public and not borrowed money from banks and public financial institutions in excess of Rs. 50 Crore, the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 as to establishment of Vigil Mechanism, are not applicable to the Company.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The provisions of Section 135 regarding Corporate Social responsibility were not applicable to the Company during the year under consideration.

### **Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of Their Duties**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive



attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

### **LOANS, GUARANTEES AND INVESTMENTS**

There is no loan given, investment made, guarantee given or security provided by the Company under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2015:

### **RELATED PARTY TRANSACTIONS**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

There were no foreign exchange earnings and outgo during the year under review.

### **RISK MANAGEMENT**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

### **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

### **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.



4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

Date                   **30/08/2015**

Place                   **Mumbai**

**For & on behalf of the Board of Directors**

*Narendra Chabildas Shah*

**NARENDRA CHABILDAS SHAH**  
**DIN : 00268812**  
**(Director)**

**RAJNIKANT CHABILDAS SHAH**  
**DIN : 00269109**  
**(Director)**





<b>(B)(1):-</b>									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		2846	2846	3.03		2846	2846	3.03	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh "									
c) Others (specify)									
<b>Sub-total (B)(2):-</b>		2846	2846	3.03		2846	2846	3.03	0.00
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>		2846	2846	3.03		2846	2846	3.03	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>		94005	94005	100.00		94005	94005	100.00	0.00

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	

(iii) Change in Promoters' Shareholding ( please specify, if there is no change)

SI. No.	Name	Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year



			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
		At the beginning of the year				
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
		At the End of the year				

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	SHAH SHAILESH INDIRA	EQUITY	1793	1.9073	1793	1.9073
2	SHAILESH SHAH	EQUITY	1050	1.117	2843	3.0243
3	HEMANT KAMDAR	EQUITY	1	0.0011	2844	3.0254
4	SHAH RATILAL	EQUITY	1	0.0011	2845	3.0264
5	Jayantilal Shah K HUF	EQUITY	1	0.0011	2846	3.0275

(v) **Shareholding of Directors and Key Managerial Personnel**

Sl.No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Bipinchandra C Shah	EQUITY	8932	9.5016	8932	9.5016
2	Mahendra C Shah	EQUITY	8628	9.1782	17560	18.6799
3	Mukesh M Shah	EQUITY	7296	7.7613	24856	26.4411
4	Narendra C Shah	EQUITY	8478	9.0187	33334	35.4598
5	Rajnikant C Shah	EQUITY	8794	9.3548	42128	44.8146
6	Rupesh M Shah	EQUITY	8795	9.3559	50923	54.1705

**V. INDEBTEDNESS :**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	282114727	7600495		289715222
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	282114727	7600495		289715222
<b>Change in Indebtedness during the financial year</b>				
Addition	0			0
Reduction	25638700	221706		25860406
Net Change	-25638700	-221706		-25860406
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	256476027	7378789		263854816
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	256476027	7378789		263854816

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl.no.	Name of MD/WTD/Manager	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total	Ceiling as per the Act
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others			
1	Bipinchandra C Shah	120000								120000	
2	Mahendra C Shah	120000								120000	
3	Mukesh M Shah	120000								120000	
4	Narendra C Shah	120000								120000	
5	Rajnikant C Shah	120000								120000	

6	Rupesh M Shah	120000 0							12000 00
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**B. Remuneration to other directors**

Sl.no.	Name of Directors	Independent Directors			Total (1)	Other Non-Executive Directors			Total (2)	Total (1+2)	Total Managerial Remuneration	Overall Ceiling as per the Act
		Fee for attending board / committee meetings	Commission	Others		Fee for attending board committee meetings	Commission	Others				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl.no.	Name of Key Managerial Personnel	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others		

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					

Penalty					
Punishment					
Compounding					
<b>C. OTHER IN DEFAULT OFFICERS</b>					
Penalty					
Punishment					
Compounding					

For SHREEJI TRANSPORT SERVICES PRIVATE LIMITED

*Narendra Chabildas Shah*

**NARENDRA CHABILDAS SHAH**  
 (Whole-time director)  
 (DIN : 00268812)