

11th
ANNUAL REPORT
2005-2006



CHARTERED CARRIERS LTD.



REGISTERED OFFICE



**C-1, Jay Tower,
Ankur Road, Naranpura,
AHMEDABAD - 380 013.**

**BOARD OF DIRECTORS**

| | |
|-----------------------|---------------------|
| MR. GYANCHAND GANDHI | - CHAIRMAN |
| MR. LALITKUMAR GANDHI | - MANAGING DIRECTOR |
| MR. MOHIB N. KHERICHA | - DIRECTOR |
| MR. MANGILAL BOHRA | - DIRECTOR |
| MRS. NISHA KALYAN | - DIRECTOR |

AUDITORS

M/s RAMAN M. JAIN & CO.

Chartered Accountants

B-31, Ghanshyam Avenue,

Opp. Old Guj. High Court,

Ahmedabad-380 014.

BANKER

HDFC BANK LTD.

UNION BANK OF INDIA

REGISTERED OFFICE

C-1, Jay Tower,

Ankur Road, Naranpura,

Ahmedabad-380 013.

SHARE TRANSFER AGENT

Pinnacle Share Registry P Ltd.

Ashoka Mills, Naroda Road, Ahmedabad - 380 025

ISIN No.: INE558F01018

**NOTICE**

Notice is hereby given that the Annual General Meeting of the company will be held on Saturday the 30th September, 2006 at 4.30 p.m. at 710, Mahakant, Opp. V S Hospital, Ellisbridge, Ahmedabad - 380 006 to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2006 and the Balance Sheet as at that date and the Reports of Directors and the Auditors.
2. To appoint a Director in place of Mr. Mangilal Bohra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mrs. Nisha Kalyan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

For and on behalf of Board of Directors

Place: Ahmedabad
Date: September 1, 2006

Lalit Kumar Gandhi
Managing Director

NOTES :

- 1 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.
- 2 Members / proxies should bring attendance slip, duly filled in, for attending the meeting.
- 3 Members / proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting.
- 4 The register of Members and share transfer books of the company will remain closed from 27th September, 2006 to 30th September, 2006 (both days inclusive).
5. 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.

For and on behalf of Board of Directors

Place: Ahmedabad
Date: September 1, 2006

Lalit Kumar Gandhi
Managing Director

**DIRECTORS' REPORT**

To,
The Shareholders,
CHARTERED CARRIERS LIMITED

Yours Directors are pleased to present the Annual Report together with the Audited Accounts of the Company for the year ended March 31st, 2006.

FINANCIAL RESULTS

The Financial results for the year ended March 31st, 2006 are summarized as under:

| | Rs. in lacs | |
|---|-------------|------------|
| | 31/03/2006 | 31/03/2005 |
| Total Income | 4589.05 | 3387.26 |
| Profit (Loss) before depreciation and taxes | 162.16 | 122.73 |
| Less : Depreciation | 93.18 | 96.46 |
| Less : Provision for taxes | 19.90 | 10.56 |
| Less : Deferred Tax Credit | 0.31 | 2.95 |
| Less : Fringe Benefit Tax | 2.12 | 0 |
| Less : Current Tax | 0.51 | 0 |
| Excess (Short) Income Tax Provision in earlier year | 0.10 | 0 |
| Profit (Loss) After Tax | 46.24 | 12.76 |

DIVIDEND

In view of the results, the Board of Directors is unable to recommend any dividend for the year 2005-2006.

OPERATION

The company had good year in terms of turnover as well as profit during the year, its gross income increased to Rs.4589.05 lacs as against Rs. 3387.26 lacs in previous year. During the year company has reported Net Profit of Rs. 46.24 lacs as against Net Profit of Rs. 12.76 lacs in the previous year.

FUTURE OUTLOOK

The Company expects that market condition will improve in the coming year and perform reasonably well.

STOCK EXCHANGES

The company's shares are listed on Ahmedabad and Mumbai Stock Exchanges; the company has paid necessary listing fees for the year 2006-2007.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the company, Mr. Mangilal Bohra and Mrs. Nisha Kalyan retires by rotation and being eligible, offers themselves for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
2. The Directors 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 profit or loss of the company for the period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguards in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
4. The Directors have prepared the Annual Accounts on a going concern basis.

DEPOSITS

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

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.

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.

AUDITORS AND AUDITORS' REPORT

M/s Raman M Jain & Co., Chartered Accountants, retire as auditors of the company at the ensuing Annual General Meeting and are eligible for re-appointment.

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

ACKNOWLEDGEMENTS

Your Directors record their appreciation for the valuable services rendered by all the employees of the company, their gratitude to the Banks and to the Members of the Company for their support.

For and on behalf of Board of Directors

Place: Ahmedabad

Date: September 1, 2006

Gyanchand Gandhi

Chairman



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

Your company in tune with the requirements of the provisions of Corporate Governance has taken all measures considered necessary for ensuring its compliance.

A detailed Corporate Governance Compliance Report as on 31/03/2006 is given below:

1 COMPANY'S POLICY

The company's policy on Corporate Governance envisages the assignment 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, shareholders, creditors, clients, bankers and other business places with due emphasis on regulatory compliance.

The company firmly believes that its system and actions must be devoted for enhancing corporate performance and maximizing shareholder value in the long run.

2 BOARD OF DIRECTORS

The Board of Directors of the company comprises following Directors :

| Name | Category/ Designation | No. of outside Directorship and Committee Membership/Chairmanship | | | |
|------------------------|------------------------------------|---|-----------------|----------------------|------------------------|
| | | Public Company | Private Company | Committee Membership | Committee Chairmanship |
| Mr. Gyanchand Gandhi | Non- Executive, Chairman(Promoter) | Nil | Nil | Nil | Nil |
| Mr. Lalit Kumar Gandhi | Promoter Managing Director | Nil | Nil | Nil | Nil |
| Mr. Mohib N. Khericha | Non Executive | 4 | 3 | 4 | 4 |
| Mr. Mangilal Bohra | Non Executive Independent | Nil | Nil | Nil | Nil |
| Mrs. Nisha Kalyan | Non Executive Independent | Nil | Nil | Nil | Nil |
| Ms. Priya Desai | Non Executive Independent | Nil | Nil | Nil | Nil |
| Mr. Jitendra Singh | Non Executive Independent | Nil | Nil | Nil | Nil |

The Board of Directors met 6 times during the year the attendances of the Directors of the company at the Board of Meeting are as follows :

| | No. of Meetings | | Attended Last AGM |
|------------------------|-----------------|----------|-------------------|
| | Held | Attended | |
| Mr. Gyanchand Gandhi | 6 | 5 | Yes |
| Mr. Lalit Kumar Gandhi | 6 | 6 | Yes |
| Mr. Mohib N. Khericha | 6 | 2 | Yes |
| Mrs. Nisha Kalyan | 6 | 6 | Yes |
| Mr. Mangilal Bohra | 6 | 6 | Yes |
| Mr. Jitendra Singh | 1 | 1 | No |
| Ms. Priya Desai | 1 | 1 | No |

Ms. Priya Desai and Mr. Jitendra Singh have resigned on 23/06/2005. Mrs. Nisha Kalyan and Mr. Mangilal Bohra have been appointed director of the company on 23/06/2005.



3. AUDIT COMMITTEE

Terms of Reference

1. To review the adequacy of internal control systems and internal Audit Reports and their compliance thereof.
2. To oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. To recommend the appointment of auditors and fixation of audit fees.
4. To review the financial statements before submission to the Board.

COMPOSITION OF AUDIT COMMITTEE

The audit committee of the company with three Directors, Viz.,

| | |
|----------------------|------------|
| Mrs. Nisha Kalyan | - Chairman |
| Mr. Mangilal Bohra | - Member |
| Mr. Gyanchand Gandhi | - Member |

The Committee met 4 times during the year on 31/03/2006 and the attendance of members of the committee was as follows:

| Director | No. of Meetings | |
|----------------------|-----------------|----------|
| | Held | Attended |
| Mrs. Nisha Kalyan | 4 | 4 |
| Mr. Mangilal Bohra | 4 | 4 |
| Mr. Gyanchand Gandhi | 4 | 4 |

4. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

As a measure of Good Corporate Governance and to focus on the shareholders' grievances and towards strengthening investor relations, an investors' Grievance 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. Mangilal Bohra - Chairman
2. Mrs. Nisha Kalyan - Member
3. Mr. Lalit Kumar Gandhi - Member

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

**5. GENERAL BODY MEETING:**

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

| Date | Venue | Time |
|-------------------|--|----------|
| September 30,2005 | 710, Mahakant, Opp. V. S. Hospital, Ellisbridge, Ahmedabad - 380 006 | 12.30 PM |
| September 30,2004 | 710, Mahakant, Opp. V. S. Hospital, Ellisbridge, Ahmedabad - 380 006 | 12.30 PM |
| September 30,2003 | 711, Mahakant, Opp. V. S. Hospital, Ellisbridge, Ahmedabad - 380 006 | 5.00 PM |

6. NOTES ON DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT

Mr. Mangilal Bohra, who retires by rotation and being eligible, offers himself for reappointment. He is a Graduate in Commerce (B.Com.) and having more than 20 years of experience in the field of Transport.

Mrs. Nisha Kalyan who retires by rotation and being eligible, offers herself for reappointment. She is a Civil Engineer and having more than 5 years of experience in the various filed i.e. Banking and Finance.

7. 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 or strictures on any matter relating to the capital market and listing.

8. MEANS OF COMMUNICATION

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

Quarterly Results-

Which newspapers normally published in: News line and Chanakya

Any website, where displayed: No

Presentation made to Institutional Investors or to Analyst: No

GENERAL INFORMATION FOR SHAREHOLDERS

a) AGM Date : September 30, 2006

Time : 4.30 P M

Place : 710, Mahakant, Opp. V. S. Hospital, Ellisbridge, Ahmedabad - 380 006

b) FINANCIAL CALENDAR

The financial year of the company is for a period of 12 months from 1st April to 31st March. The financial results of the company during the financial year 2006-07 are scheduled to be published as under :

| | |
|--|--------------------------|
| a. Results for the first quarter ending on 30th June, 2006 | By end of July, 2006 |
| b. Results for the second quarter ending 30th September, 2006 | By end of October, 2006 |
| c. Results for the third quarter ending 31th December, 2006 | By end of January, 2007 |
| d. Results (un-Audited) for the financial year ending 31st March, 2007 | By end of April, 2007 |
| e. Annual General Meeting for the year ending March, 2007 | By end of September 2007 |



CHARTERED CARRIERS LTD.

- c) **Dates of Book closure** : From 27th September to 30th September, 2006 (In connection with the Annual General Meeting)
- d) The shares of the company are listed on Ahmedabad and Mumbai Stock Exchanges. The listing fees for the year 2006-2007 have been paid to all the Stock Exchange where the shares of the company are listed.
- e) **Stock Code** : Bombay Stock Exchange : 531977 and Ahmedabad Stock Exchange is 11468.
- f) **Demat ISIN Number for NSDL and CDSL** : INE558F01018
- g) **Market price Data**: High, low during each month in last financial year i.e. 1st April 2005 to 31st March, 2006 at Bombay Stock Exchange.

| Month | High | Low | Month | High | Low |
|----------------|------|-----|---------------|-------|-------|
| April 2005 | Nil | Nil | October, 2005 | Nil | Nil |
| May 2005 | Nil | Nil | November 2005 | 11.02 | 10.50 |
| June 2005 | Nil | Nil | December 2005 | 27.69 | 11.57 |
| July 2005 | Nil | Nil | January 2006 | 31.60 | 28.60 |
| August 2005 | Nil | Nil | February 2006 | 30.00 | 28.25 |
| September 2005 | Nil | Nil | March 2006 | 27.70 | 25.20 |

* Data based on BSE website.

- h) **Registrar and Transfer Agents for demat and Physical mode**: Pinnacle Share Registry Pvt. Ltd. Nr. Ashoka Mills, Naroda, Ahmedabad
- 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 31st March, 2006**

| Distribution of Shareholding as on 31st March, 2006 | No. of Shares | % of No. of shares | % of No. of share-holders | % of No. of share-holders |
|---|----------------|--------------------|---------------------------|---------------------------|
| Upto 500 | 202300 | 3.96 | 437 | 31.55 |
| 501 - 1000 | 872800 | 17.08 | 890 | 64.26 |
| 1001- 2000 | 25400 | 0.5 | 13 | 0.94 |
| 2001- 3000 | 47313 | 0.93 | 18 | 1.3 |
| 3001- 4000 | 19300 | 0.38 | 5 | 0.36 |
| 4000- 5000 | 39600 | 0.77 | 8 | 0.58 |
| 5001- 10000 | 20000 | 0.39 | 2 | 0.14 |
| 10001 and above | 3883587 | 76.00 | 12 | 0.87 |
| Total | 5110300 | 100.00 | 1385 | 100.00 |