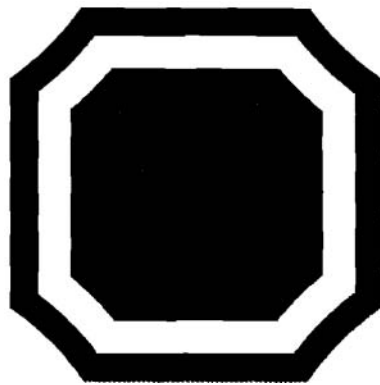


# **CHARTERED LOGISTICS LTD.**



## **18th Annual Report 2012-13**



## Company Information

**BOARD OF DIRECTORS**

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

**AUDITORS**

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

**BANKERS**

HDFC Bank Ltd.  
Kotak Mahindra Bank Ltd.

**SHARE TRANSFER AGENT**

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

**ISIN NO :** INE558F01026

**CIN :** L74140GJ1995PLC026351

**WEBSITE :** www.chartered.co.in

**CHIEF FINANCIAL OFFICER**

Mr. J. K. Jakhotiya

**COMPANY SECRETARY**

Mrs. Anamika Jajoo

**REGISTERED OFFICE**

C-1, Jay Tower, Ankur Commercial Center, Naranpura,  
Ahmedabad-380 013.

**CORPORATE OFFICE**

6 Chartered House, Sanand Road, Sarkhej,  
Ahmedabad-380013

**FORWARD-LOOKING STATEMENTS**

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

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## **NOTICE**

Notice is hereby given that the **18<sup>th</sup>** Annual General Meeting of the Company will be held on Friday, 22nd day of August, 2013 at 11:30 A.M. at the Registered office of the Company at C-1, Jay Tower, 4<sup>th</sup> Floor, Ankur Commercial centre, Naranpura, Ahmedabad-380013 to transact the following business.

### **ORDINARY BUSINESS:**

- 1.** To consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2013 and the Balance Sheet as on that date and the Reports of Directors and the Auditors thereon.
- 2.** To appoint a Director in place of Mr. Harsh Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.
- 3.** To appoint a Director in place of Mr. Sandeep M Shah, who retires by rotation and being eligible, offers himself for re-appointment.
- 4.** To re-appoint M/s Vidya & Co, Chartered Accountants, Ahmedabad as statutory Auditors of the company and fix their remuneration.

For and on **behalf** of Board of Directors

Place: Ahmedabad  
Date: **30<sup>th</sup>** May, 2013

**S/d**  
**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 as copies of Annual Report will not be distributed at the Annual General Meeting.
- 4** The register of Members and share transfer books of the Company will remain closed from **19<sup>th</sup>** August, to **21<sup>st</sup> August, 2013 (both days inclusive)** for the purpose of Annual General meeting.
- 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.
- 6** Pursuant to clause 49 of the Listing Agreement, the particulars of directors who are proposed to be appointed / re-appointed are given below and forms part of Notice.
- 7** Members holding shares in physical form are requested to intimate Registrar and Share Transfer Agent of the company i.e. M/s. Sharepro Services (India) Pvt. Ltd., Mumbai, of change, if any, in their registered address along with pin code. Members holding shares in electronic form may update such details with their respective Depository Participant.
- 8** The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed hereto.



<b>Sr. No.</b>	<b>Nature of Information</b>	<b>Item No. 2</b>	<b>Item No. 3</b>
<b>1</b>	Name	Mr. Harsh Gandhi	Mr. Sandeep M Shah
<b>2</b>	Age	23 years	34 years
<b>3</b>	Qualification	Graduation in Business Management from United Kingdom	M.Com ,FCA
<b>4</b>	Expertise in specific functional area	Business management	Accounts,Finance,Audit
<b>5</b>	Director of Company Since [date)	23/06/2012	31/08/2008
<b>6</b>	Directorship in other Companies	(i)Chartered Motors Pvt Ltd (ii)Universal Lifeline Pvt Ltd	Nil
<b>7</b>	Member /Chairman of Committees of Board	Nil	Nil
<b>8</b>	Nature of Directors' Interest, in any of the resolutions	Except Mr. Harsh Gandhi himself, none of the remaining directors is concerned or interested in the Resolution	Except Mr. Sandeep M Shah himself, none of the remaining directors is concerned or interested in the Resolution
<b>9</b>	Number of shares held in the Company	36000	88613

**For and on behalf of Board of Directors**

**Place: Ahmedabad**  
**Date: 30<sup>TH</sup> May, 2013**

**S/d**  
**Lalit Kumar Gandhi**  
**(Managing Director)**



## DIRECTORS' REPORT

To,

The Shareholders,  
Chartered Logistics Limited

Yours Directors are pleased to present the 18<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended on 31<sup>st</sup> March, 2013.

### 1.FINANCIAL RESULTS:

The Financial results for the year ended 31<sup>st</sup> March, 2013 are summarized as under:

(Rs. in lakhs)

	31/03/2013	31/03/2012
Total Income	25269.23	25737.70
Profit (Loss) before Interest, depreciation and taxes	2825.73	3290.12
Less : Interest & Finance Charges	1258.66	1033.92
Less : Depreciation	1140.16	1123.53
Profit Before Tax	426.91	1132.67
Less : Payment/ Provision for Tax and Others	82.44	527.17
Less: Deferred Tax Credit	2.83	94.77
Add: Mat credit entitlement	(59.75)	62.99
Profit (Loss) After Tax	281.89	573.72
Excess/(Short) Provision of earlier year	0.00	0.00
Net Profit	281.89	573.72

### 2. DIVIDEND

Considering the decline in profit the Board of Directors do not recommend any dividend for the year 2012-13.

### 3. OPERATIONS

Your company's operational and financial performance has declined during the financial year 2012-13 as compared to previous year due to increase of diesel price, other operating cost on our fleet, outsource transportation contract rate, increase in interest and financial charges and other circumstances beyond the control of the company..During the year company has reported total income of Rs. 25269.23 Lakhs against total income of Rs. 25737.70 lakhs in the previous year Profit before tax



(PBT) has been reported at Rs.426.91 lakhs in the current year as against Profit before tax (PBT) of Rs 1132.67 lakhs in the previous year. The net profit after tax for the current year 2012-13 is 281.89 lakhs.

**4. FUTURE OUTLOOK**

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

**5. STOCK EXCHANGES:**

The company's shares are listed on Bombay Stock Exchange Limited (BSE) the company has paid necessary listing fees for the year 2012-2013.

**6. DIRECTORS:**

During the year Mr. Kishore Kumar Gandhi has resigned dated 31<sup>st</sup> August, 2012 from the office of Director due to pre-occupation. The Board records its sincere appreciation of the valuable services rendered by Mr. Kishore Kumar Gandhi to the Board and the management of the Company during his tenure.

Ms. Nisha Makwana resigned from the position of WholeTime Director of the company w.e.f , 30<sup>th</sup> April, 2013. The Board records its sincere appreciation of the valuable services rendered by her to the Board and the management of the Company during her tenure.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the company Mr. Sandeep M Shah and Mr. Harsh Gandhi retires by rotation and being eligible, offers themselves for re-appointment.

**7. 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 along with 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.



**8. DEPOSITS:**

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

**9. INSURANCE:**

All the properties of the company have been adequately insured.

**10. SUBSIDIARY:**

The company has no subsidiary company.

**11. 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.

**12. 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.

**13. AUDITORS AND AUDITORS' REPORT:**

The Board recommends to re-appoint M/s Vidya & Co. Chartered Accountants, Ahmedabad as the statutory Auditors of the Company to hold office of the Auditors of the Company from the date of this Annual General Meeting till the conclusion of the next Annual General Meeting on the remuneration as may be fixed by the Board.

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

**14. ACKNOWLEDGEMENTS:**

The Board of Directors sincerely acknowledge the vision given by the Past Chairman and Founder Promoter of the Company, Shri Gyanchand Gandhi, who left for heavenly abode during the year. The sound principles and ethics of business instilled in the company have helped the business to grow and would be the guiding spirit for the future. Equality and human approach is the cornerstone for success in business and the Board strives to implement the same for the benefit of human force in the company.

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

For and on behalf of Board of Directors

S/d

Lalit Kumar Gandhi  
(Managing Director)

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2013



## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your company is committed to the philosophy of good corporate governance. 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, stakeholders, creditors, clients, bankers and other business places with due emphasis on regulatory compliance.

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

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

### 2. CODE OF CONDUCT & ETHICS

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

### 3. BOARD OF DIRECTORS:

The Board comprises of eminent persons with considerable experience in diversified fields.

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



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

Name	Category/Designation	No. of outside Directorship and Committee membership/Chairmanship			
		Public Company	Private Company	Committee Membership	Committee Chairmanship
Mr. Mohib N. Khericha	Non Executive Chairman	7	9	7	3
Mr. Lalit Kumar Gandhi	Promoter & Managing Director	Nil	Nil	Nil	Nil
Mr. Sandeep M Shah	Non Executive Independent Director	Nil	Nil	Nil	Nil
Mr. Ajay C Shah	Non Executive Independent Director	1	Nil	Nil	Nil
Mr. Harsh Gandhi	Director	Nil	2	Nil	Nil

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

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

Information supplied to the Board

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



the Board meeting.

Quarterly results of the company.

Quarterly reports on receivables and recovery efforts made.

Minutes of the meetings of the audit committee of the Board.

Any significant development in human resources.

Compliance status of various regulatory, statutory or listing requirements and shareholders service such as payment of dividend, share transfer etc.

#### Meetings of **the** Board

The Board of Directors met 7 times during the financial year 2012-13. The maximum gap between 2 meetings was not more than 3 months. The attendance of the Directors of the company at the Board Meeting are as follows:

Director	No. of Meetings		Attended Last AGM
	Held	Attended	
Mr. Lalit Kumar Gandhi	7	7	Yes
Mr. Mohib N. Khericha	7	3	Yes
Mr. Harsh Gandhi	7	4	No
Mr. Ajay C Shah	7	5	No
Mr. Sandeep M Shah	7	5	Yes

#### 4. COMMITTEES OF BOARD

##### (i) Audit Committee

###### Terms of Reference

The Terms of Reference of this committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956, and are as follows:

Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

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

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