

# **PREMIER ROAD CARRIERS LTD.**

## **FINANCIAL STATEMENTS** **FOR THE YEAR**

2016-2017

### **AUDITORS**

PAREKH SHAH & LODHA  
CHARTERED ACCOUNTANTS

### **BANKERS**

ICICI BANK LIMITED  
INDUSIND BANK  
STATE BANK OF INDIA  
KOTAK MAHINDRA BANK

### **REGISTERED OFFICE**

32 Chowringhee Road,  
14<sup>th</sup> Floor, Suit No. 1405,  
Kolkata -700 071

## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
**PREMIER ROAD CARRIERS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. **PREMIER ROAD CARRIERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 Responsibilities for the Financial Statements**

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the risks of material misstatement 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at 31st March 2017 and its profit/loss and its cash flow for the year ended on that date

### **Emphasis of Matter**

#### **We draw attention to**

- a) *Note No. 20 (II)(17) to the financial statements which describes that the Balance of Debtors, Creditors, Loans & Advances and Investments are subject to confirmation and reconciliation, if any. Hence, the effect thereof, on Profit/ Loss, Assets and Liabilities, if any, is not ascertainable.*
- b) *Noncompliance of provision of 203 (1) (ii) of the Companies Act, 2013 regarding Appointment of Whole Time Company Secretary.*

### **Report on other Legal and Regulatory Requirement**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we further report that:

- a) we have sought and 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operative effectiveness of such controls, refer to our separate report in Annexure B; and
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- I. The Company has disclosed the impact of the pending litigations, if any on its financial position in the financial statements- Please refer Note 19(II) 2 to the Financial Statements.
  - II. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
  - III. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise
  - IV. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

**For PAREKH SHAH & LODHA**  
Chartered Accountants

Ravindra Chaturvedi  
(Partner)  
M. No. 048350  
Firm no.107487W

Place: Mumbai  
Date: 31<sup>st</sup> May, 2017

## **ANNEXURE A TO AUDITORS' REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors Report of even date]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. In respect of its fixed assets
  - a) The Company is in the process of updating the records to show full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
  - c) As explained to us, the title deeds of all the immovable properties are held in the name of the company, however in the absence of Title Deeds of few assets, we are unable to comment on the same.
  
2. In respect of its inventories

As the Company neither has purchased / sold goods during the year nor is there any opening stocks or closing stock, hence requirement of reporting on physical verification of stock or maintenance of inventory records, in our opinion does not arise.
  
3. The company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013:
  - a) the terms and conditions of the grant of such loans are not prejudicial to the company's interest, except for non charging on interest on such loans;
  - b) According to the information and explanations given to us, the loans given by the company are repayable on demand. As informed, repayment of Principal amount and interest (if agreed) has been received during the year whenever demanded by the company.
  - c) There is no overdue amount for more than ninety days in respect of loans to the parties covered in the above register.
  
4. According to the information and explanations given to us and based on our examination of the records of the Company, in respect of loans, investments, guarantees and security

given/ made by the company, during the year, the company has complied with the provisions of section 185 & 186 of the Companies Act, 2013.

5. The Company has not accepted any deposits from the public covered under the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Further no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal on the company. Hence, Paragraph 3(v) of the Order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for any of the products of the Company.
7. In respect of Statutory Dues:
  - a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities in India. According to the information and explanation given to us, there was no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
  - b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any disputes, except the followings.

<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Period (Assessment Year)</b>	<b>Amount payable as per notice</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Demand issued by DCIT	2012-13	2,70,359/-	CIT (Appeals), Kolkata
		2014-15	2,33,29,190/-	

8. According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution, banks or government. The company has also not issued debentures. Hence Paragraph 3 (viii) of the Order is not applicable.
9. According to the records of the company examined by us and as per the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans raised during the year were applied for the purpose for which those were raised.
10. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither

come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards
14. The company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For PAREKH SHAH & LODHA  
Chartered Accountants  
Firm Reg.: 107487W

CA. Ravindra Chaturvedi  
(Partner)  
M. No. : 048350

Place: Mumbai  
Date: 31<sup>st</sup> May 2017

## **ANNEXURE B TO AUDITORS' REPORT**

[Referred to in Clause (f) in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors Report of even date]

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **PREMIER ROAD CARRIERS LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in general, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were found operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PAREKH SHAH & LODHA  
Chartered Accountants  
Firm Reg.: 107487W

CA. Ravindra Chaturvedi  
(Partner)  
M. No. : 048350

Place: Mumbai

Date: 31<sup>st</sup> May 2017

**PREMIER ROAD CARRIERS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

(Amount in Rs.)

Particulars		2016-2017 RS	2015-2016 RS
<b>CASH FLOW FROM OPERATION ACTIVITIES :</b>			
Net Profit before tax and extraordinary items :		21,321,527	(1,770,363)
<b>Adjustment for :</b>			
Depreciation		3,485,905	3,031,092
Finance Costs		5,266,605	4,725,508
Provision for Doubtful Debts		2,919,330	-
Interest/Dividend received		(1,225,874)	(1,217,676)
Profit on sale of assets		(8,599)	302,155
<b>Operating Profit before Working capital changes</b>		<b>31,758,894</b>	<b>5,070,715</b>
Adjustment for :			
Trade and Other Receivables		(44,914,415)	106,308,002
Trade Payables		7,137,503	(6,328,536)
Other Current Assets		876,738	(727,129)
Other Current Liabilities/ Provisions		3,895,914	3,774,931
<b>Cash Generated from Operation</b>		<b>(1,245,367)</b>	<b>108,097,983</b>
Cash Flow Before extraordinary items		(1,245,367)	108,097,983
Direct Tax Provision		(20,749,237)	(17,278,821)
<b>Net cash from operating activities after extra-ordinary items</b>	<b>A</b>	<b>(21,994,604)</b>	<b>90,819,162</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
(Purchase)/ Sale of Fixed Assets		(7,778,828)	(786,387)
Advance Received against Sale of Property		100,000	(47,400,000)
Advance given against Property		(400,000)	(1,400,000)
Advance against Purchase of Investment		-	19,400,000
(Purchase)/ Sale of Investments		(6,500,000)	(140,560,000)
Interest /Dividend received		1,225,874	1,217,676
Investment in Bank Deposit		(544,294)	(314,958)
<b>Net Cash Used in Investing activities</b>	<b>B</b>	<b>(13,897,248)</b>	<b>(169,843,669)</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
Net Proceeds/(Redemption) of Shares (incl. Premium)		-	114,500,000
Net Proceeds/ (Repayment) of Secured Loans		(3,247,163)	(19,415,101)
Short Term Loans/ Advances Given		41,921,687	(32,145,367)
Net Proceeds from Unsecured Loans		9,722,577	15,500,000
Finance Costs		(5,266,605)	(4,725,508)
<b>Net Cash used in Financial Activities</b>	<b>C</b>	<b>43,130,497</b>	<b>73,714,025</b>
<b>Net Increase\Decrease in Cash and Cash equivalents</b>	<b>A+B+C</b>	<b>7,238,644</b>	<b>(5,310,482)</b>
<b>Cash and Cash Equivalents (Opening)</b>		<b>(8,967,320)</b>	<b>(3,656,837)</b>
<b>Cash and Cash Equivalents(Closing)</b>		<b>(1,728,675)</b>	<b>(8,967,320)</b>

As per our report of even date

**For Parekh Shah & Lodha**  
Chartered Accountants

**FOR AND ON BEHALF OF BOARD OF  
PREMIER ROAD CARRIERS LIMITED**

**Ravindra Chaturvedi**  
Partner  
M. No. : 048350  
Firm No. 107487W  
Date: May 31, 2017  
Place : Mumbai

**VIJAY KUMAR GUPTA    YASHU GUPTA**  
Director                      Director  
(DIN- 00798748)            (DIN- 00798805)

**PREMIER ROAD CARRIERS LIMITED**

**BALANCE SHEET AS AT 31ST MARCH 2017**

(Amount in Rs.)

	Particulars	Note	As at 31st March, 2017	As at 31st March, 2016
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b>Shareholder's Fund</b>			
	Share Capital	1	74,857,500	74,857,500
	Reserves and Surplus	2	405,184,548	390,363,190
			<b>480,042,048</b>	<b>465,220,690</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
	Long-Term Borrowings	3	198,916	-
	Non Current Liabilities	4	5,259,371	4,542,906
	Deferred Tax Liabilities (Net)	5	(228,632)	1,472,319
			<b>5,229,655</b>	<b>6,015,225</b>
<b>3</b>	<b>Current Liabilities</b>			
	Short-Term Borrowings	6	49,439,860	42,845,362
	Trade Payables	7	20,707,381	13,569,878
	Other Current Liabilities	8	9,115,504	10,896,621
	Short-Term Provisions	9	4,007,529	1,096,250
			<b>83,270,274</b>	<b>68,408,111</b>
	<b>TOTAL</b>		<b>568,541,978</b>	<b>539,644,026</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current Assets</b>			
	Fixed assets-	10		
	(i) Tangible Assets		33,477,984	29,209,064
	(i) Intangible Assets		187,052	154,449
	Non-Current Investments	11	152,491,000	145,991,000
			<b>186,156,037</b>	<b>175,354,514</b>
<b>2</b>	<b>Current Assets</b>			
	Trade Receivables	12	329,248,528	287,253,443
	Cash And Cash Equivalents	13	9,716,632	3,764,980
	Short-Term Loans And Advances	14	43,420,781	73,271,089
			<b>382,385,941</b>	<b>364,289,512</b>
	<b>TOTAL</b>		<b>568,541,978</b>	<b>539,644,026</b>

Notes, referred hereinabove, annexed to and forming part of the Financial Statements

Significant Accounting Policies and Notes to Accounts

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As per our report of even date

For **PAREKH SHAH & LODHA**  
Chartered Accountants

**FOR AND ON BEHALF OF BOARD OF  
PREMIER ROAD CARRIERS LIMITED**

**Ravindra Chaturvedi**  
Partner  
M. No. : 048350  
Firm No. 107487W  
Date: May 31, 2017  
Place : Mumbai

**VIJAY KUMAR GUPTA**  
Director  
(DIN- 00798748)

**YASHU GUPTA**  
Director  
(DIN- 00798805)

**PREMIER ROAD CARRIERS LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017**

(Amount in Rs.)

	Particulars	Note	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I	Revenue from Operations	15	1,083,373,953	986,683,327
II	Other Income	16	2,091,473	1,994,097
III	<b>Total Revenue (I + II)</b>		<b>1,085,465,426</b>	<b>988,677,424</b>
IV	<b>Expenses:</b>			
	Lorry Hire / Hamali Charges		980,034,235	886,211,937
	Employee Benefits Expense	17	26,918,267	26,979,428
	Finance Costs	18	5,266,605	4,725,508
	Depreciation and Amortization Expense	10	3,485,905	3,031,092
	Other Expenses	19	39,578,909	30,361,572
	<b>Total expenses</b>		<b>1,055,283,921</b>	<b>951,309,537</b>
V	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>30,181,505</b>	<b>37,367,888</b>
VI	<b>Extraordinary Items</b>		-	-
	Bad Debts Written off		8,859,978	39,138,251
VII	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>21,321,527</b>	<b>(1,770,363)</b>
VIII	<b>Profit before tax (VII- VIII)</b>		<b>21,321,527</b>	<b>(1,770,363)</b>
IX	<b>Tax Expense:</b>			
	(1) Current Tax		8,173,000	856,000
	(2) Deferred Tax		(1,700,951)	211,873
	(3) (Short) / Excess Provision for Income Tax for Earlier Years		28,120	-
X	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>14,821,358</b>	<b>(2,838,237)</b>
XI	<b>Profit (Loss) for the period</b>		<b>14,821,358</b>	<b>(2,838,237)</b>
XII	Earnings per equity share:			
	<i>Basic</i>		2.84	(0.54)
	<i>Diluted</i>		2.84	(0.54)

Notes, referred hereinabove, annexed to and forming part of the Financial Statements

Significant Accounting Policies and Notes to Accounts

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As per our report of even date  
For **PAREKH SHAH & LODHA**  
Chartered Accountants

**FOR AND ON BEHALF OF BOARD  
PREMIER ROAD CARRIERS LIMITED**

**Ravindra Chaturvedi**  
Partner  
M. No. : 048350  
Firm No. 107487W  
Date: May 31, 2017  
Place : Mumbai

<b>VIJAY KUMAR GUPTA</b> Director (DIN- 00798748)	<b>YASHU GUPTA</b> Director (DIN- 00798805)
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**PREMIER ROAD CARRIERS LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

PARTICULARS	(Amount in Rs.)	
	As at 31.03.2017	As at 31.03.2016
<b>NOTE - 1 SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
72,00,000 (P.Y. 72,00,000) Equity Shares of Rs. 10/- each	72,000,000	72,000,000
30,00,000 (P.Y. 30,00,000) 10% Non Cumulative Pref. Share of Rs.10/- each	30,000,000	30,000,000
<b>TOTAL</b>	<b>102,000,000</b>	<b>102,000,000</b>
<b>Issued, Subscribed and Paid up share capital</b>		
52,12,500 (P.Y. 52,12,500) Equity Shares of Rs. 10/- each fully paid up	52,125,000	52,125,000
22,73,250 (P.Y. 8,42,000), 10% Non Cumulative Pref. Share of Rs. 10/- each	22,732,500	22,732,500
	<b>74,857,500</b>	<b>74,857,500</b>

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	F.Y. 2016-2017	F.Y. 2015-2016
	No. of shares	No. of shares
<b>Equity Shares</b>		
Equity shares at the beginning of the year	5,212,500	5,212,500
Add: shares issued during the year	-	-
<b>Equity shares at the end of the year</b>	<b>5,212,500</b>	<b>5,212,500</b>
<b>Preference Shares</b>		
Preference shares at the beginning of the year	2,273,250	842,000
Add: shares issued during the year	-	1,431,250
Less: Redeem during the year	-	-
<b>Preference shares at the end of the year</b>	<b>2,273,250</b>	<b>2,273,250</b>

b) There are No ( Previous year – No) rights, preference and restriction attaching to each class of shares including restriction on the distribution of dividend and the repayment of capital.

c) There are nil number of shares ( Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.

d) Shares in the company held by each shareholders holding more than 5% shares, as on 31.03.2017:

Name of the Shareholder	No. of shares	Percentage (%)
<b>Equity Share Capital</b>		
Diligent Investment Ltd. (P.Y. 600,000 Shares, 11.51%)	600,000	11.51%
Yashu Gupta (P.Y. 511,300 Shares, 9.81%)	511,300	9.81%
Deligent Road carriers Ltd (P.Y. 352,500 Shares, 6.76%)	352,500	6.76%
Premier Road Service Ltd (P.Y. 301,500 Shares, 5.77%)	301,000	5.77%
Karan Gupta (P.Y. 297,500 Shares, 5.71%)	297,500	5.71%
<b>Preference Share Capital</b>		
Diligent Investments Ltd. (P.Y. 1431,250 Shares, 62.96%)	1,431,250	62.96%
Lookline Overseas Pvt. Ltd. (P.Y. 268,000 Shares, 11.79%)	268,000	11.79%
Subhkari Designs Pvt. Ltd. (P.Y. 145,000 Shares, 6.38%)	145,000	6.38%
Neelsimana Sales Pvt. Ltd. (P.Y. 70,000 Shares, 3.08%)	70,000	3.08%
Subhkari Tradelink Pvt. Ltd. (P.Y. 65,000 Shares, 2.86%)	65,000	2.86%
Jatashiv Plaza Pvt. Ltd. (P.Y. 58,500 Shares, 2.57%)	58,500	2.57%
Darshan Enclave Pvt. Ltd. (P.Y. 44,000 Shares, 1.94%)	44,000	1.94%
Empire Niketan Pvt. Ltd. (P.Y. 41,000 Shares, 1.80%)	41,000	1.80%
Bhagwat Marcom Pvt. Ltd. (P.Y. 28,000 Shares, 1.23%)	28,000	1.23%

e) There are nil number of shares ( Previous year: Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.

**PREMIER ROAD CARRIERS LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

f) For the period of five years immediately preceding 31.03.2017:		
Particulars	No of.	No of.
	Equity Shares	Preference Shares
Aggregate number and class of shares allotted as fully paidup pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares allotted as fully paidup by way of bonus shares.	Nil	Nil
Aggregate number and class of shares bought back/redeemed	Nil	570,500
g) There are no securities issued which are convertible into equity/preference shares.		
h) There are no calls unpaid ( Previous year No )including calls unpaid by Directors and Officers as on balance sheet date		
i) There is no forfeiture of the shares of any class during the Financial Year (Previous Year -Nil).		
(Amount in Rs.)		
PARTICULARS	As at 31.03.2017	As at 31.03.2016
<b>NOTE - 2 RESERVES AND SURPLUS</b>		
<b>i) General Reserve</b>		
Opening balance	15,580,000	15,580,000
(+) Current Year Transfer	-	-
Closing Balance	<b>15,580,000</b>	<b>15,580,000</b>
<b>ii) Security Premium</b>		
Opening balance	361,467,500	261,280,000
Add/(Less): Addition/(Reduction during the year)	-	100,187,500
Closing Balance	<b>361,467,500</b>	<b>361,467,500</b>
<b>iii) Capital Redumption Reserve</b>		
Opening Balance	13,455,000	13,455,000
Transfer During the year	-	-
	<b>13,455,000</b>	<b>13,455,000</b>
<b>iv) Profit and Loss Account</b>		
Opening balance	(139,310)	2,698,927
(+) Net Profit/(Net Loss) For the current year	14,821,358	(2,838,237)
(-) Adjustment due to Fixed Assets	-	-
(-) Transfer to Capital Redumption Reserves	-	-
Closing Balance	<b>14,682,048</b>	<b>(139,310)</b>
<b>TOTAL</b>	<b>405,184,548</b>	<b>390,363,190</b>

**PREMIER ROAD CARRIERS LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

<b>NOTE - 3</b>		
<b>LONG-TERM BORROWINGS</b>		
<b>SECURED LONG-TERM BORROWINGS</b>		
<b><u>From Banks</u></b>		
Kotak Mahindra	198,916	-
<b>TOTAL</b>	<b>198,916</b>	<b>-</b>
<b>NOTE - 4</b>		
<b>NON CURRENT LIABILITIES</b>		
Provision for Gratuity (Long Term)	5,259,371	4,542,906
<b>TOTAL</b>	<b>5,259,371</b>	<b>4,542,906</b>
<b>NOTE - 5</b>		
<b>DEFERRED TAX LIABILITIES</b>		
<b><u>Related to Fixed Assets</u></b>		
Opening Balance - (Assets) / Liabilities	1,472,319	1,260,446
Add : Arised during the year	(1,700,951)	211,873
<b>Closing Balance - Balance - (Assets) / Liabilities</b>	<b>(228,632)</b>	<b>1,472,319</b>
<b>NOTE - 6</b>		
<b>SHORT-TERM BORROWINGS</b>		
<b>SECURED SHORT-TERM BORROWINGS</b>		
<b><u>From Banks (Repayable on Demand)</u></b>		
ICICI Bank OD - Mumbai (Secured Against Office Premises)	23,899,283	27,345,362
<b>UNSECURED SHORT-TERM BORROWINGS</b>		
<b><u>Form Related Party (Repayable on Demand)</u></b>		
Diligent Investment Ltd.	20,222,577	15,500,000
Vijay Kumar Gupta HUF	5,000,000	-
<b>Deposits</b>		
Security Deposit	318,000	-
<b>TOTAL</b>	<b>49,439,860</b>	<b>42,845,362</b>
<b>NOTE - 7</b>		
<b>TRADE PAYABLES</b>		
Sundry Creditors	20,707,381	13,569,878
<b>TOTAL</b>	<b>20,707,381</b>	<b>13,569,878</b>
<b>NOTE - 8</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Advance Received against Sale of Property	100,000	-
Current Maturity of Long Term Debts	184,476	-
Income Received in Advance	-	229,392
Provision for Gratuity (Short Term)	91,380	96,294
Credit Balance in current Account	8,739,648	10,570,935
	<b>9,115,504</b>	<b>10,896,621</b>
<b>NOTE - 9</b>		
<b>SHORT TERM PROVISIONS</b>		
Outstanding Expenses	199,530	208,175
Payable to Auditors	207,000	103,050
Statutory Dues Payable	1,437,800	785,025
Salary Payable	2,163,199	-
<b>TOTAL</b>	<b>4,007,529</b>	<b>1,096,250</b>

**PREMIER ROAD CARRIERS LIMITED.**

**NOTE - 10  
FIXED ASSETS**

(Amount in Rs.)

Sr. No.	Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2016	Additions	Deletions/ Deductions	AS AT 31.03.2017	Upto 1.4.2016	For The period	Deletions/ Deductions	Upto 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
	<b>i. Tangible Assets</b>										
1	Furniture & Fixture	6,525,064	3,727,744	-	10,252,808	5,759,860	472,493	-	6,232,353	4,020,455	765,204
3	Motor Cars	3,792,534	2,438,961	-	6,231,495	3,218,670	709,009	-	3,927,678	2,303,817	573,864
4	Scooter & Motor Bikes	1,104,605	447,307	41,367	1,510,545	677,978	172,856	37,966	812,868	697,677	426,627
5	Cooler & A.C.	1,046,345	-	-	1,046,345	890,673	66,561	-	957,234	89,111	155,672
6	Trucks	1,625,177	-	-	1,625,177	917,717	278,032	-	1,195,749	429,428	707,460
7	Electric Equipments	539,332	500,052	-	1,039,384	260,475	123,133	-	383,608	655,776	278,857
8	Computers	4,170,817	335,337	-	4,506,154	3,963,658	170,915	-	4,134,573	371,581	207,159
9	Generator	81,114	-	-	81,114	72,251	3,808	-	76,059	5,055	8,863
10	Fax & Telex	121,330	-	-	121,330	121,330	-	-	121,330	-	-
11	Godown Shed	939,724	-	-	939,724	606,782	16,025	-	622,807	316,917	332,942
12	Ownership Office	37,015,795	-	-	37,015,795	11,335,918	1,240,581	-	12,576,499	24,439,296	25,679,877
13	Water Filter	30,175	-	-	30,175	27,957	1,212	-	29,169	1,006	2,218
14	Television Set	452,866	129,194	-	582,060	382,543	51,650	-	434,194	147,867	70,323
	<b>TOTAL A .....RS.</b>	<b>57,444,878</b>	<b>7,578,596</b>	<b>41,367</b>	<b>64,982,107</b>	<b>28,235,812</b>	<b>3,306,276</b>	<b>37,966</b>	<b>31,504,122</b>	<b>33,477,984</b>	<b>29,209,066</b>
	<b>ii. Intangible Assets</b>										
1	Computer Software	708,020	212,231	-	920,251	553,571	179,628	-	733,199	187,052	154,449
	<b>TOTAL B .....RS.</b>	<b>708,020</b>	<b>212,231</b>	<b>-</b>	<b>920,251</b>	<b>553,571</b>	<b>179,628</b>	<b>-</b>	<b>733,199</b>	<b>187,052</b>	<b>154,449</b>
	<b>TOTAL A+B .....RS.</b>	<b>58,152,898</b>	<b>7,790,827</b>	<b>41,367</b>	<b>65,902,358</b>	<b>28,789,382</b>	<b>3,485,905</b>	<b>37,966</b>	<b>32,237,321</b>	<b>33,665,037</b>	<b>29,363,516</b>
	<b>Previous Year</b>	<b>69,412,862</b>	<b>846,887</b>	<b>12,106,851</b>	<b>58,152,898</b>	<b>37,502,488</b>	<b>3,031,092</b>	<b>11,744,196</b>	<b>28,789,384</b>	<b>29,363,514</b>	<b>31,910,374</b>



**PREMIER ROAD CARRIERS LIMITED****NOTE - 11****NON CURRENT NON TRADE INVESTMENTS**

UNQUOTED INVESTMENT, FULLY PAID UP

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Cost in Rs.		Valuation	Market Value in Rs.	
		2017	2016	2017	2016		Basis	2017
1	20% NCNC Pref Shares of Logisys Advisors P Ltd.	2,929,750	2,929,750	95,510,000	95,510,000	Cost	NA	NA
2	10% NCNC Pref. Shares - Premier Auto Finance Ltd.	515,500	450,500	51,550,000	45,050,000	Cost	NA	NA
3	Eq. Shares in Diligent Investment Ltd.	870,000	870,000	1,350,000	1,350,000	Cost	NA	NA
4	Eq. Shares in Premier Auto Finance Ltd.	161,000	161,000	161,000	161,000	Cost	NA	NA
5	Eq. Shares in Premier Enclave Ltd	480,000	480,000	480,000	480,000	Cost	NA	NA
6	Eq. Shares in R.A. Enclave Pvt. Ltd.	2,000	2,000	100,000	100,000	Cost	NA	NA
7	Eq. Shares in Premier Road Service Ltd	69,000	69,000	690,000	690,000	Cost	NA	NA
8	Eq. Shares in Deligent Road Carriers Ltd	530,000	530,000	2,650,000	2,650,000	Cost	NA	NA
	<b>TOTAL</b>	<b>5,557,250</b>	<b>5,492,250</b>	<b>152,491,000</b>	<b>145,991,000</b>		-	-

**PREMIER ROAD CARRIERS LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

PARTICULARS	(Amount in Rs.)	
	As at 31.03.2017	As at 31.03.2016
<b>NOTE - 12</b>		
<b>TRADE RECEIVABLES</b>		
Unsecured, considered good		
Trade receivables (outstanding for a period <b>less</b> than six months from the date they are due for payment)	300,979,670	247,475,702
Trade receivables (outstanding for a period <b>exceeding</b> six months from the date they are due for payment)	31,188,188	39,777,741
Less : Provision For Doubtful Debts	(2,919,330)	-
<b>TOTAL</b>	<b>329,248,528</b>	<b>287,253,443</b>
<b>NOTE - 13</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
<b>Balance with Banks:</b>		
In Current Account	5,555,766	829,361
Bank deposits	2,705,659	2,161,365
<b>Cash on hand</b>	1,455,207	774,254
<b>TOTAL</b>	<b>9,716,632</b>	<b>3,764,980</b>
<b>NOTE - 14</b>		
<b>SHORT-TERM LOANS AND ADVANCES</b>		
<i>(Unsecured, considered good)</i>		
<b>Loans and advances to related parties</b>		
Business Advance	227,780	-
<b>Other loans and advances</b>		
<i>(Unsecured, considered good)</i>		
Loans & Advances Given to Others	-	42,149,467
Earnest Money Deposit	1,942,217	3,445,151
Security Deposits	1,285,898	1,094,320
Advance against Property	7,461,125	7,061,125
Staff Advance	565,700	577,929
Prepaid Expenses	53,835	37,269
Other Advances	492,981	62,700
<b>Balance With Revenue Authorities</b>		
TDS & Advance Income Tax (net of Provision)	31,391,245	18,843,128
<b>TOTAL</b>	<b>43,420,781</b>	<b>73,271,089</b>

**PREMIER ROAD CARRIERS LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

(Amount in Rs.)		
PARTICULARS	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>NOTE - 15 INCOME FROM OPERATIONS</b>		
Freight Income	1,083,373,953	986,683,327
<b>TOTAL</b>	<b>1,083,373,953</b>	<b>986,683,327</b>
<b>NOTE - 16 OTHER INCOME</b>		
Interest Income	1,225,874	1,217,676
Profit/ (Loss) on Sale/ Discard of Assets	8,599	(302,155)
Other Non-operating Income	857,000	1,078,576
<b>TOTAL</b>	<b>2,091,473</b>	<b>1,994,097</b>
<b>NOTE - 17 EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages & Incentives	22,423,456	18,859,793
<b>Contributions to -</b>		
- Provident Fund	988,901	818,971
- ESIC	313,104	343,029
Gratuity	915,551	5,440,550
Staff Welfare expenses	2,277,255	1,517,085
<b>TOTAL</b>	<b>26,918,267</b>	<b>26,979,428</b>
<b>NOTE - 18 FINANCE COSTS</b>		
Interest Expense	4,006,678	4,094,631
Bank Charges & Commission	1,259,927	630,877
<b>TOTAL</b>	<b>5,266,605</b>	<b>4,725,508</b>

**PREMIER ROAD CARRIERS LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

<b>NOTE - 19 OTHER EXPENSES</b>		
Auditors Remuneration		
-Statutory Audit Fess	92,000	91,600
-Tax Audit Fess	23,000	22,900
Advertisement	79,242	44,034
Business Promotion	1,601,912	847,299
Claim Paid (Net)	2,276,702	3,296,536
Computer Expenses	206,503	187,721
Conveyance	2,290,018	2,106,844
Commission Expense	1,510,000	-
Demat Charges	110,887	94,901
Director's Remuneration	3,960,000	3,900,000
Donations	276,836	359,609
Electricity Expenses	1,401,642	1,179,968
Interest on Statutory Dues	16,732	26,898
Insurance	2,712,851	197,405
Internet Usage Expenses	207,058	193,992
Legal & Professional Charges	3,799,468	5,193,473
Membership Fees	127,858	55,688
Office General Expenses	2,869,543	1,885,124
Postage & Telegram	461,940	406,332
Printing & Stationery Charges	972,276	1,373,220
Provision for Doubtful Debts	2,919,330	-
Rates & Taxes	502,767	202,707
Rent Paid	1,863,208	1,648,050
Repairs & Maintenance	2,196,432	1,096,420
Sales Tax Penalty Paid	93,600	-
Telephone Expenses	1,974,829	2,007,393
Tender Fees	-	28,761
Travelling Expenses	3,669,348	2,713,157
Vehicle Expenses	1,316,159	1,099,475
Warehousing Charges	46,768	102,065
<b>Total</b>	<b>39,578,909</b>	<b>30,361,572</b>

**Note 20: ACCOUNTING POLICIES AND NOTES TO ACCOUNT**

**20(I): SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

**(b) Employee Benefits :-**

- i. Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- ii. Gratuity liability is defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii. Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.
- iv. Payments made under the Voluntary Retirement Scheme are charged to the Profit and Loss account immediately.
- v. Liability for Leave Encashment is accounted and paid in the same year.

**(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.

All items of income/ expenses are accounted for on accrual basis except for the following items which are accounted for on cash basis.

- i. Encashment of leave and gratuity payable to employees
- ii. Bonus
- iii. Octroi payment/ Reimbursements

**(d) Fixed Assets**

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Fixed assets erected & commissioned have been capitalized at cost including other incidental expenses relating to acquisition and installation.

**(e) Depreciation**

- i. Depreciation is provided on the written down value method according to the rates and useful lives prescribed in the Schedule II of the Companies Act, 2013 on pro-rata basis.
- ii. Depreciation on additions is being provided on pro-rata basis from the date of such additions.

**(f) Impairment**

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**(g) Leases**

Assets acquired under finance leases are recognized in accordance with the method recommended by the ICAI. Lease payments are apportioned between finance charge and reduction of outstanding liabilities. The finance charge is allocated to periods during lease term at a constant periodic rate of interest on the remaining balance of the liability.

**(h) Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**(i) Inventories**

Stock is valued at cost or net realizable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(k) Foreign currency translation**

**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**(iii) Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset.

**(l) Taxes on Income**

Income Tax expense comprise of Current Tax and Deferred Tax charge or credit. The current tax is determined as the amount of tax payable in respect of taxable income for the year, as per the provisions of Income Tax Act, 1961. The Company provides for Deferred Tax Liability based on the tax effect of Timing Differences resulting from the reorganization of item in the financial statements and estimating its current income tax provision. Where there are brought forward fiscal allowances, deferred tax asset is recognized only if there is virtual certainty of realization of such assets. Deferred tax assets and liabilities are reviewed as at each balance sheet date and restated as per current developments.

**(m) Borrowing Costs**

Borrowing Costs attributable to the fixed assets during their construction/renovation and modernization are capitalized in accordance with AS-16 issued by ICAI. Such borrowing costs are apportioned on the average balance of Capital Work-In-Progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**(n) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(o) Provisions**

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

PREMIER ROAD CARRIERS LTD.  
ACCOUNTING POLICIES AND NOTES TO ACCOUNT

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**(p) Segment Information**

The Company has only one business and geographical Segment viz. Goods Transportation. Hence no further disclosures are required to be made as per AS-17 on segment reporting.

**(q) Miscellaneous Expenditure**

The Company has policy of writing off all the preliminary / miscellaneous expenditure over a period of 5 year.

**20(II): NOTES TO THE ACCOUNTS**

**1. Impairment of Assets**

The Company has carried out Impairment test on its Fixed Assets as on the date of Balance Sheet and the management is of the opinion that there is no asset for which provision of impairment is required to be made as per Accounting Standard - 28 on Impairment of Assets.

**2. The Contingent liabilities:**

a) In respect of Bank Guarantee outstanding

**Amount (in Rs.)**

Name of Party (Issued By)	FY 2016-17	FY 2015-16
ICICI Bank Ltd.	1,03,00,000	51,87,070

b) In respect of Income Tax :-

A.Y	Demand of Rs.	Status
2006-07	6,54,594/-	Demand Raised on 17-10-2016 by CPC
2012-13	2,70,359/-	Demand Raised on 31-03-16 by DCIT
2014-15	2,33,29,190/-	Demand Raised on 31-03-16 by DCIT

c) Court Order issued against the company for an amount of Rs. 3, 91, 83,472/- in the case of M/s. Siemens Limited. The company has appealed in High Court against the order.

**3. Benefits to Employees :**

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below :

**(i) Defined Contribution Plan:**

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under:

**Amount (in Rs.)**

Contributions to -	FY 2016-2017	FY 2015-2016
- Provident Fund	9,88,901	8,18,971
- ESIC	3,13,104	3,43,029



PREMIER ROAD CARRIERS LTD.  
ACCOUNTING POLICIES AND NOTES TO ACCOUNT

**(ii) Changes in the present value of the defined benefit obligation are as follows:**

	Period of accounting	FY 2016-2017	FY 2015-2016
<b>I</b>	<b>Assumptions as at</b>		
	Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
	Interest / Discount Rate	7.54%	7.46%
	Rate of increase in compensation	5.00%	5.00%
	Rate of return (expected) on plan assets		
	Employee Attrition Rate(Past Service (PS) )	PS: 0 to 5 : 10%	PS: 0 to 5 : 10%
		PS: 5 to 10 : 2%	PS: 5 to 10 : 2%
		PS: 10 to 47 : 0%	PS: 10 to 47 : 0%
	Expected average remaining service	23.10	23
<b>II</b>	<b>Changes in present value of obligations</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	PVO at beginning of period	46,39,200	-
	Interest cost	3,39,743	-
	Current Service Cost	4,43,961	46,39,200
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Benefits Paid	-1,70,000	-
	Actuarial (Gain)/Loss on obligation	97,847	-
	PVO at end of period	53,50,751	46,39,200
<b>III</b>	<b>Changes in fair value of plan assets</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	Fair Value of Plan Assets at beginning of period	-	-
	Expected Return on Plan Assets	-	-
	Contributions	1,70,000	-
	Benefit Paid	-1,70,000	-
	Actuarial Gain/(Loss) on plan assets	-	-
	Fair Value of Plan Assets at end of period	-	-
<b>IV</b>	<b>Fair Value of Plan Assets</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	Fair Value of Plan Assets at beginning of period	-	-
	Actual Return on Plan Assets	-	-
	Contributions	1,70,000	-
	Benefit Paid	-1,70,000	-
	Fair Value of Plan Assets at end of period	-	-
	Funded Status (including unrecognised past service cost)	-53,50,751	-46,39,200
	Excess of actual over estimated return on Plan Assets	-	-
<b>V</b>	<b>Experience History</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	(Gain)/Loss on obligation due to change in Assumption	-78,792	-
	Experience (Gain)/ Loss on obligation	1,76,639	-
	Actuarial Gain/(Loss) on plan assets	-	-

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<b>VI</b>	<b>Actuarial Gain/(Loss) Recognized</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	Actuarial Gain/(Loss) for the period (Obligation)	-97,847	-
	Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	-97,847	-
	Actuarial Gain/(Loss) recognized for the period	-97,847	-
	Unrecognized Actuarial Gain/(Loss) at end of period	-	-
<b>VII</b>	<b>Past Service Cost Recognized</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Average remaining future service till vesting of the benefit	-	-
	Recognized Past service Cost- non vested benefits	-	-
	Recognized Past service Cost- vested benefits	-	-
	Unrecognized Past Service Cost- non vested benefits	-	-
<b>VII I</b>	<b>Amounts to be recognized in the balance sheet and statement of profit &amp; loss account</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	PVO at end of period	53,50,751	46,39,200
	Fair Value of Plan Assets at end of period	-	-
	Funded Status	53,50,751	-46,39,200
	Unrecognized Actuarial Gain/(Loss)	-	-
	Unrecognized Past Service Cost- non vested benefits	-	-
	Net Asset/(Liability) recognized in the balance sheet	53,50,751	-46,39,200
<b>IX</b>	<b>Expense recognized in the statement of P &amp; L A/C</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	Current Service Cost	4,43,961	46,39,200
	Interest cost	3,39,743	-
	Past Service Cost- (non vested benefits)	-	-
	Past Service Cost -(vested benefits)	-	-
	Unrecognized Past Service Cost- non vested benefits	-	-
	Expected Return on Plan Assets	-	-
	Net Actuarial (Gain)/Loss recognized for the period	97,847	-
	Expense recognized in the statement of P & L A/C	8,81,551	46,39,200
<b>X</b>	<b>Movements in the Liability recognized in Balance Sheet</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	Opening Net Liability	46,39,200	-
	Expenses as above	8,81,551	46,39,200
	Contribution paid	-1,70,000	-
	Closing Net Liability	53,50,751	46,39,200
<b>XI</b>	<b>Schedule III of The Companies Act 2013</b>	<b>FY 2016-2017</b>	<b>FY 2015-2016</b>
	Current Liability	91,380	96,294
	Non-Current Liability	52,59,371	45,42,906
<b>XII</b>	<b>Projected Service Cost 31 Mar 2018</b>	<b>4,78,426</b>	<b>4,43,961</b>

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**4. Payments to Auditors**

Statutory Auditors Remuneration :

Sr. No.	Particulars	2016-2017	2015-2016
1	Audit Fees	80,000	80,000
2	Tax Audit Fees	20,000	20,000
3	Service Tax	15,000	14,500
	<b>Total</b>	<b>1,15,000</b>	<b>1,14,500</b>

**5. Managerial Remuneration**

Remuneration has been paid to Managing Director as per Section 197 of Companies Act, 2013 as under:

Sr. No.	Particulars	2016-17	2015-16
1	Salary	39,60,000	39,00,000
	<b>Total</b>	<b>39,60,000</b>	<b>39,00,000</b>

**6. Related Parties Disclosures**

**(I) Names of related parties**

Names of related parties where control exists irrespective of whether transactions have occurred or not	Nil
Names of other related parties with whom transactions have taken place during the year	Nil
Associates	Nil
Key Management Personnel	1.MR. V K GUPTA (Director) 2.SUSHMA GUPTA (Director) 3.YASHU GUPTA (Director) 4.KARAN GUPTA (Director) 5.SMRITI GUPTA(Director)
Relatives of key management personnel	1. MR. M.K. GUPTA (Director Brother) 2. MEENA GUPTA (Director Daughter) 3. REKHA GUPTA (Daughter in law of Director) 4. USHA GUPTA (Director's Sister) 5. KANTA GUPTA (Director Daughter) 6. BHANARAM GUPTA (Director's Grand Father)
Enterprises owned or significantly influenced by key management personnel or their relatives	1. PREMIER AUTO FINNANCE LTD 2. PREMIER ENCLAVE P. LTD 3. PREMIER CHARITABLE TRUST 4. DILIGENT INVESTMENT LTD 5. PREM ROAD SERVICE P. LTD 6. PREMIER ROAD SERVICE LTD 7. DELIGENT ROAD CARRIERS LTD. 8. LOGYSIS ADVISORS PVT. LTD.

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(II) Related Party Disclosure

(Amount in Rupees)

Particular	Key Management Personnel (Managing Director, Whole Time Director, Manager And Other Managerial Personnel)		Enterprises Owned Or Significantly Influenced By Key Management Personnel Or Their Relatives	
	2017	2016	2017	2016
Director Remuneration	39,60,000	39,00,000	-	-
Interest Paid	-	-	20,24,142	13,41,711
Unsecured Loans/Business Advance Taken/Repayment	50,02,470	20,97,767	7,57,57,091	22,19,02,148
Unsecured Loans/ Business Advance Given/Repaid	2,30,250	20,97,767	7,10,34,514	20,75,45,188
Share Application money received and Pref. Shares allotted	-	-	-	1,43,12,500
Purchase of Pref. Shares	-	-	-	14,05,60,000
<b>Balances Outstanding at the year end</b>				
Unsecured Loan / Business Advance Taken/ Payable	50,00,000	-	2,02,22,577	1,55,00,000
Unsecured Loan / Business Advance Given / Receivable	2,27,780	-	-	-

\* Amount written off / written back in respect of debts due from or to related parties is "NIL".

\*\* Related party relationship is as identified by the management and relied upon by the auditor.

**7 ACCOUNTING STANDARD (AS-19) LEASE TRANSACTION DISCLOSURES**

(a) Disclosures relating to Finance and Operating Leases

The Company has not entered in any kind of Finance Lease transactions during the Financial Year. Hence, no disclosure is required to be made as per AS-19 in this respect.

Operating Lease:

		FY 2016-2017	FY 2015-2016
1	Lease Payments recognized in the Profit & Loss Account	18,63,208	16,48,050
2	Lease Income recognized in the Profit & Loss Account	7,57,000	6,31,735

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ACCOUNTING POLICIES AND NOTES TO ACCOUNT

**8. Provision for Taxation**

- a) Current Tax: The company has made a appropriate provision for taxation for the year under the provision of the Income Tax Act, 1961
- b) Deferred Tax: As per Accounting Standard – 22 on ‘Taxes on Income’ the details of deferred tax liabilities assets are as :

Particular	As on 2016–17	As on 2015–16
Deferred Tax Liabilities / (Assets) arise during the year		
<b>Deferred Tax Liabilities</b>		
Due to difference in Depreciation	1,37,182	2,11,873
Adjustment of Tax Rate Changes & Sale	(69,014)	Nil
<b>Total – A</b>	68,168	2,11,873
<b>Deferred Tax Asset</b>	Nil	Nil
Gratuity Provision	17,69,119	Nil
<b>Total – B</b>		
Net Deferred Tax Liabilities / (Assets) A/c) (A - B)	(17,00,951)	2,11,873
Balance carried Forward to Balance Sheet	(2,28,632)	14,72,319
Charge / (Credit) to Profit & Loss A/c	(17,00,951)	2,11,873

**9. Earnings Per Share (EPS)**

(Rs. In Lakh except EPS)

	2016-17	2015-16
i) Net Profit/(Loss) after tax as per profit and loss account	1,48,21,358	-28,38,237
Less : Profit Attributable to ordinary shareholders	Nil	Nil
ii) Net Profit attributable to equity share holders	1,48,21,358	-28,38,237
iv) Weighted Average number of equity for calculation of Basic EPS	52,12,500	52,12,500
v) Basic EPS – Diluted	2.84	-0.56
vi) Weighted Average number of equity shares used for	52,12,500	52,12,500
vii) Diluted EPS	2.84	-0.54
vii) Face Values per equity share	Rs.10	Rs.10

- 10.** No forward exchange contracts are outstanding on the balance sheet date which is entered to hedge foreign exchange exposures of the Company.

- 11.** Earnings and expenditure in Foreign Currency during the year:

- Earnings in Foreign Currency : Nil (P.Y. Nil)
- Expenditure in Foreign Currency : Nil (P.Y. Nil)

**12. Segment Reporting**

The Company Operates on a single segment “TRANSPORTATION” and no other segment. Hence No segmental Reporting is prepared for the year.

PREMIER ROAD CARRIERS LTD.  
ACCOUNTING POLICIES AND NOTES TO ACCOUNT

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**13. Previous Year Comparatives**

Previous year's figures have been regrouped/ rearranged wherever necessary to conform to the current year's presentation.

- 14.** The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

<b>PARTICULAR</b>	<b>SBNs (500/1000)</b>	<b>Other denomination</b>	<b>Total</b>
Closing Cash on hand as on 8.11.2016	140,000	21,96,127	23,36,127
<b>Transactions between 9th November 2016 and 30th December 2016</b>			
Add: Withdrawal from bank accounts	-	73,90,000	73,90,000
Add: Receipts for permitted transactions	-	-	-
Add : Receipts for non-permitted transactions	-	-	-
Less : Paid for permitted transactions	140,000	76,87,282	78,27,282
Less : Paid for non-permitted transactions	-	-	-
Less: Deposited in bank accounts	-	-	-
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>18,98,845</b>	<b>18,98,845</b>

- 15.** The Company does not received any intimation from "Suppliers" regarding their Status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the yearend together with interest paid / payable as required under the said Act have not been given.
- 16.** In the opinion of the board, the current assets, loans and advances are approximately of the value state, if realized in ordinary course of business. The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- 17.** Balance of all Sundry Debtors, Sundry Creditors, Investments & Loan and Advances are subject to confirmation and consequent reconciliation and adjustments, if any.

As per report of even date

For **PAREKH SHAH & LODHA**  
Chartered Accountants

For and on behalf of the Board

Ravindra Chaturvedi  
Partner  
M. No.: 048350  
Firm no.107487W

(Director) (Director)

**Place:** Mumbai  
**Date:** 31<sup>st</sup> May, 2017