SHRIRAM automall

THE POWER OF CHOICE

SHRIRAM AUTOMALL INDIA LIMITED

4th Annual Report 2012-2013

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. S. Lakshminarayanan	Chairman
Mr. Umesh Revankar	Director
Mr. D.V. Ravi	Director
Mr. GauravTrehan	Director

COMPANY SECRETARY

Mr. Nitin Lokhande

AUDITORS

M/s. G. D. Apte & Co.
Chartered Accountants

REGISTERED OFFICE

Mookambika Complex, 3rd Floor,
No. 4, Lady Desika Road,
Mylapore, Chennai – 600 004,
Tamil Nadu, India

DIRECTORS' REPORT

To,

The Members

SHRIRAM AUTOMALL INDIA LIMITED

Your Directors have pleasure in presenting their Fourth Annual Report together with the Audited Statements of Accounts for the year ended March 31, 2013.

FINANCIAL HIGHLIGHTS:

(Rs. in lacs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit/(Loss) Before Depreciation and Taxation	1807	513
Depreciation	377	342
Financial Cost	4	209
Profit / (Loss) Before Tax	1426	(38)
Provision for Taxation	30	8
Profit / (Loss) After Tax	1396	(30)
Balance brought forward from previous year	(1422)	(1392)
Deficit carried to Balance Sheet	(26)	(1422)

DIVIDEND:

The Directors do not recommend payment of dividend for the Financial Year 2012-13.

OPERATIONS:

During the year under review, the Company's total income from operations was Rs. 7,497 lacs as against Rs.10,729 lacs in the previous year 2011-12. The Company made operating profit of Rs. 1,768 lacs before depreciation.

The Company has earned maiden Net Profit of Rs. 1,396 lacs during the Financial year 2012-13 as against loss of Rs. 30 lacs in the previous year.

After opening the first Automall in February, 2011, the Company has spread its footprints in PAN India by opening 13 Automalls at different locations of India namely Vishakhapatnam, Ludhiana, Hyderabad, Jammu, Faizabad, Tirunelveli, Jaipur, Kolkata, Kota, Mahabubnagar, Cochin, Davangere and Mancherial. By the end of financial year 2012 - 2013 Company has established in all 21 Automalls which added more customers & reach to it.

The Company has entered into a Memorandum of Understanding with a reputed Banks & Finance companies in India holding Heavy Commercial and Passenger Vehicles, Agricultural and Construction Equipment's portfolio to provide various fee based services. Barring unforeseen circumstances this arrangement is expected to substantially increase volume of our operations in coming years. Company has also launched its Valuation services through Newlook team.

BUSINESS RESPONSIBILITY POLICY:

The Company has formulated Business Responsibility Policy as per National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by Ministry of Corporate Affairs (MCA).

DIRECTORS:

As per Section 256 of the Companies Act, 1956, Mr. Umesh Revankar will retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment as Director.

AUDIT COMMITTEE:

The Board of Directors have constituted Audit Committee as per Section 292A of the Companies Act, 1956 consisting three Directors - Mr. D.V. Ravi, Mr. Umesh Revankar and Mr. Gaurav Trehan.

AUDITORS:

M/s G.D. Apte & Co., Chartered Accountants, Pune, (Firm Registration Number- 100515 W) Statutory Auditor of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received letter from the Auditor to the effect that their re-appointment, if made, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956. The Board recommends their reappointment.

PERSONNEL:

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended is furnished below:

Name of the Employee	Designation	Gross Remuneration	Qualification	Experience in Years	Date of Commencement of Employment	Age of the Employee	Last Employment held before joining the Company
MR. SAMEER MALHOTRA	Chief Executive Officer	64.24 lacs	B. com (H), ICWA(I)	23 Years	16/11/2010	44 Years	Ritchie Bros. Auctioneers India. Pvt. Ltd.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Pursuant to the requirement under Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988:

a. The Company has no major activity involving conservation of energy or technology absorption.

b. The Company does not have any Foreign Exchange Earnings & Outgo.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief:

a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) That such accounting policies as mentioned in Note 1 of the Accounts have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the period ended on that date;

c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Annual Accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENT:

The Board of Directors congratulate the Chief Executive Officer and his team for the best performance achieved by the Company during the year under review. The Board of Directors thank the Holding Company for the support. The Board also express its deep gratitude for the co-operation extended by Government agencies.

For and on behalf of Board
For **Shriram Automall India Limited**
S. Lakshminarayanan
Chairman

Date: May 6, 2013
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

SHRIRAM AUTOMALL INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Shriram Automall India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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. 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. the Balance Sheet, 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For **G.D. Apte & Co.**
Chartered Accountants
Firm Registration Number 100 515W
Ameya D. Tambekar
Partner
Membership No. 128355
Mumbai, May 6, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There was no substantial disposal of fixed assets during the year.

(ii) (a) As explained to us, the inventories of the Company have been physically verified by the management at regular intervals. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to size of the Company and nature of its business.

(c) In our opinion, the Company is maintaining proper records of inventory. As per the information and explanations given to us, no discrepancies have been noticed in physical verification

(iii) According to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to or from the companies, firms or other parties covered in the register maintained under section 301 of the Act.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

(v) According to the information and explanation provided by the management, we are of the opinion that there are no transactions with reference to contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 of the Act.

(vi) According to the information and explanation provided by the management, the Company has not accepted any deposits from public and no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products /services of the Company.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other undisputed statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no statutory dues pending to be deposited on account of disputes.

(x) The Company has been registered for a period less than five years, and as such, the provisions of clause 4(x) of the Order, are not applicable to the Company.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank. Further, the Company has not borrowed any funds from financial institutions or debenture holders.

(xii) Based on our examination of and according to information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, the provisions of clause 4(xiii) of the Order, are not applicable to the Company.

(xiv) Based on our examination and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures or other investments. Accordingly, the provisions of clause 4(xiv) of the Order, are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) During the year, the Company has not issued any debentures. As such, provisions of clause 4(xix) of the Order, are not applicable to the Company.

(xx) According to the information and explanation given to us, the Company has not raised money by public issue. As such, provisions of clause 4(xx) of the Order, are not applicable to the Company.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **G.D. Apte & Co.**
Chartered Accountants
Firm Registration Number 100 515W

Ameya D. Tambekar
Partner
Membership No. 128355
Mumbai, May 6, 2013

SHRIRAM automall
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BALANCE SHEET

AS AT MARCH 31, 2013

(Rs. in lacs)

Particulars	Note No	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	3,000.00	3,000.00
(b) Reserves and surplus	3	(26.49)	(1,422.51)
		2,973.51	**1,577.49**
(2) Non-current liabilities			
(a) Long-term provisions	6	116.14	67.58
		116.14	**67.58**
(3) Current liabilities			
(a) Short-term borrowings	7	319.04	493.17
(b) Trade payables	4	1,346.89	396.26
(c) Other current liabilities	5	130.89	154.35
(d) Short-term provisions	6	102.34	57.16
		1,899.16	**1,100.94**
Total		**4,988.81**	**2,746.01**
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		1,020.33	1,319.53
(ii) Intangible assets		95.61	154.45
(iii) Intangible assets under development		4.10	-
(b) Deferred tax assets (net)	1.9	59.75	3.85
(c) Long-term loans and advances	9	676.39	492.32
(d) Other non-current assets	10	1.16	1.63
		1,857.34	**1,971.78**
(2) Current assets			
(a) Inventories	11	-	92.88
(b) Trade receivables	12	0.49	25.80
(c) Cash and bank balances	13	1,679.78	522.41
(d) Short-term loans and advances	9	1,451.09	133.14
(e) Other assets	10	0.11	-
		3,131.47	**774.23**
Total		**4,988.81**	**2,746.01**
Significant Accounting Policies and Notes to Accounts	1		

The notes referred to above form an integral part of the financial statements.

As per our report of even date
For **G.D. Apte & Co.**
Firm Registration No.: 100515W
Chartered Accountants

Ameya D. Tambekar
Partner
Membership No : 128355

Mumbai
May 6, 2013

For and on behalf of the Board of Directors of
Shriram Automall India Limited

D. V. Ravi
Director

Umesh Revankar
Director

Nitin Lokhande
Company Secretary

SHRIRAM automall
THE POWER OF CHOICE

STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in lacs)

Particulars	Note No	Year Ended March 31, 2013	Year Ended March 31, 2012
INCOME			
Revenue from operations	14	7,496.66	10,728.76
Other income	15	38.80	0.77
Total		**7,535.46**	**10,729.53**
EXPENDITURE			
Purchase of used commercial vehicles		-	4,443.59
Vehicle Refurbishment expenses		2.41	202.17
Adjustment due to decrease/(increase) in stock of used commercial vehicles	16	96.11	1,197.50
Employees Benefit expense	17	2,804.37	2,065.24
Finance cost	18	4.24	209.08
Depreciation and amortisation	8	376.68	341.68
Other expenses	19	2,825.93	2,308.55
Total		**6,109.74**	**10,767.81**
Profit/(Loss) before taxation		1,425.72	(38.28)
Provision for taxation			
Current tax		273.88	-
Less: MAT credit entitlement		(188.29)	-
Deferred tax liability / (Asset)		(55.89)	(7.84)
Total tax expense / (income)		29.70	(7.84)
Profit/(Loss) after tax from continuing operations		1,396.02	(30.44)
Earnings/(Loss) per share			
Basic & Diluted (Rs.)		4.65	(0.17)
Nominal Value of Share (Rs.)		**10.00**	**10.00**
Significant Accounting Policies and Notes to Accounts	1		

The notes referred to above form an integral part of the financial statements

As per our report of even date
For **G.D. Apte & Co.**
Firm Registration No.: 100515W
Chartered Accountants

Ameya D. Tambekar
Partner
Membership No : 128355

Mumbai
May 6, 2013

For and on behalf of the Board of Directors of
Shriram Automall India Limited

D. V. Ravi
Director

Umesh Revankar
Director

Nitin Lokhande
Company Secretary

SHRIRAM automall

THE POWER OF CHOICE

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in lacs)

Particulars	March 31, 2013	March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxes	1,425.72	(38.28)
Depreciation and amortisation	376.68	341.68
(Profit) / loss on sale of assets (net)	8.27	-
Interest income	(0.13)	(0.11)
Provision for non moving Inventory	(3.23)	3.23
Provision for doubtful advance	0.21	16.17
Provision for gratuity	51.91	72.14
Provision for leave encashment	41.82	51.71
Operating profit before working capital changes	**1,901.25**	**446.54**
Movements in working capital:		
Increase / (decrease) in other current liabilities	(23.46)	(499.00)
Increase / (decrease) in trade payables	950.62	372.55
Decrease / (increase) in trade receivables	25.30	(24.16)
Decrease / (increase) in inventories	96.11	1,197.49
Decrease / (increase) in loans and advances	(1,301.73)	(17.84)
Cash generated from operations	1,648.09	1,475.58
Direct taxes paid (net of refunds)	(286.08)	-
Net cash from/(used in) operating activities (A)	**1,362.01**	**1,475.58**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in bank deposits (having original maturity of more than three months)	-	(1.00)
Purchase of fixed, including intangible assets	(73.77)	(1,227.94)
Proceeds from sale of fixed assets	42.77	-
Interest on fixed deposits	-	-
Net cash from/(used in) investing activities (B)	**(31.00)**	**(1,228.94)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of equity share to STFCL (Holding Company)	-	2,000.00
Increase / (decrease) in short-term borrowing (net)	(174.14)	(2,262.68)
Net cash from/(used in) financing activities (C)	(174.14)	(262.68)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,156.87	(16.04)
Cash and Cash Equivalents at the beginning of the year/period	522.41	538.45
Cash and Cash Equivalents at the end of the year/period	**1,679.28**	**522.41**

(Rs. in lacs)

Components of Cash and Cash Equivalents		March 31, 2013	March 31st 2012
Cash and Cash Equivalents at the end of the year/ period			
i) Cash on hand		0.29	36.84
ii) Cheques on hand		-	16.33
iii) Balances with scheduled banks in:			
Current accounts		1,678.99	469.24
Deposit with original maturity of less than three months		-	-
		1,679.28	522.41
Significant Accounting Policies and notes to accounts	1		

As per our report of even date
For **G.D. Apte & Co.**
Firm Registration No.: 100515W
Chartered Accountants

Ameya D. Tambekar
Partner
Membership No : 128355

Mumbai
May 6, 2013

For and on behalf of the Board of Directors of
Shriram Automall India Limited

D. V. Ravi
Director

Umesh Revankar
Director

Nitin Lokhande
Company Secretary

1. NOTES

1.1 Corporate Information

Shriram Automall India Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in trading and facilitating the buyers/sellers to sell their trucks and commercial vehicles. It provides refurbishment of pre-owned vehicles, automalls and electronic truck bazaars. The Company operates as a wholly owned subsidiary of Shriram Transport Finance Company Ltd.

1.2 Basis of preparation

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under Companies Accounting Standard Rules, 2006, as amended and the relevant provisions of the Companies Act, 1956 ('the Act'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.3 Significant Accounting Policies

(a) Current / Non-current classification of assets / liabilities

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non current.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.

(c) Tangible/Intangible Fixed Assets, Depreciation/Amortisation and Impairment

Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any, Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets in the nature of 'qualifying assets,' which take substantial period of time to get ready for its intended use are capitalised as a part of the cost of such assets, upto the date when such assets are ready for their intended use.

Depreciation on tangible fixed assets

Depreciation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful lives of the respective fixed assets and are greater than or equal to the corresponding rates prescribed in Schedule XIV of the Act. The assets for which higher rates are used are as follows:

Particulars	Rates (SLM)	Schedule XIV rates (SLM)
Plant and Equipment	10.00%	4.75%
Furniture and Fixtures	10.00%	6.33%
Office Equipments	10.00%	4.75%
Computers	20.00%	16.21%
Vehicles	20.00%	9.50%

Leasehold improvement is amortized over the lease term subject to a maximum of 60 months.

All fixed assets individually costing Rs.5,000 or less are fully depreciated in the year of installation.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of acquisition/sale.

1. NOTES (Contd.)

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Amortisation is provided on Straight Line Method ('SLM'), which reflect the management's estimate of the useful life of the intangible asset.

Particulars	Rates (SLM)
Computer Software	33.33%
Trademarks	10.00%

Amortisation on assets acquired / sold during the year is recognized on a pro-rata basis to the statement of profit and loss till the date of acquisition / sale.

Impaiment of Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

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

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(d) Inventories

Inventories of used commercial vehicles are valued at cost or net realisable value whichever is less after providing for obsolescence if any. Cost comprises of cost of purchase, refurbishment costs and allocated overheads incurred in bringing the inventory to its present location and condition. Cost of purchase and refurbishment is determined on specific identification basis, while the overheads are allocated as per the estimate based on expected normal activity. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

(e) Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(f) 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.

The revenue from sale of the used commercial vehicles is recognized after execution of the contract to sale and delivery of the vehicle to the buyer. Value added tax on sale of used commercial vehicle is collected by the Company as an intermediary and accordingly revenue is presented on net basis.

Income from Buyer/Seller facilitation fees / Income from Services are recognized as per the terms of the contract on an accrual basis. Service tax on fees is collected by the Company as an intermediary and accordingly revenue is presented on net basis.

Interest income on fixed deposits with bank is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

1. NOTES (Contd.)

(g) Retirement and other employee benefits

Provident Fund

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense in the year it is incurred.

Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Leave Encashment

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(h) Borrowing Cost

Borrowing costs relating to acquisition of fixed assets in the nature of 'qualifying assets,' which take substantial period of time to get ready for its intended use are capitalised as a part of the cost of such assets, upto the date when such assets are ready for their intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

(i) Income tax

The expense comprises of current, deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The un-recognized deferred tax assets are re-assessed by the Company at each balance sheet date and are recognized to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying cost of the deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

1. NOTES (Contd.)

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of MAT under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(j) Segment reporting policies

Identification of segments:

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate

Unallocated corporate items:

Unallocated corporate items include income, expenses, assets and liabilities which are not allocated to any business segment.

Segment Policies :

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(k) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

(l) Provisions

A provision is recognised when the company has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(m) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand, remittances in transit and short term investments with an original maturity of three months or less.

(n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

1. NOTES (Contd.)

1.4 Gratuity and other post-employment benefit plans:

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days salary (last drawn salary) for each completed years of service.

Consequent for the adoption of revised AS 15`Employee Benefits' issued under Companies Accounting Standard Rules, 2006, as amended, the following disclosures have been made as required by the standard.

Statement of Profit and Loss

Net employee benefit expense (recognized in employee cost)

(Rs. in lacs)

	Gratuity	
Particulars	**March 31, 2013**	**March 31, 2012**
Current service cost	11.49	0.23
Inerest cost on benefit obligation	6.16	0.02
Expected return on plan assets	N.A.	N.A.
Net actuarial (gain) / loss recognized in the year	21.16	8.86
Past service cost	NIL	NIL
Net benefit expense	38.81	9.11

Balance Sheet

Details of Provision for gratuity

(Rs. in lacs)

	Gratuity	
Particulars	**March 31, 2013**	**March 31, 2012**
Defined benefit obligation	124.32	72.41
Fair Value of plan assets	N.A.	N.A.
Surplus / (defecit)	124.32	72.41
Less : Unrecognised past serviced cost	NIL	NIL
Plan asset / (liability)	(124.32)	(72.41)

Changes in the present value of the defined benefit obligation are as follows :

(Rs. in lacs)

	Gratuity	
Particulars	**March 31, 2013**	**March 31, 2012**
Opening defined benefit obligation	72.41	0.28
Interest cost	6.16	0.02
Current service cost	11.49	0.23
Liability transferred in	29.01	63.46
Liability transferred out	(10.85)	NIL
Benefits paid	(5.06)	(0.44)
Actuarial (gains)/losses on obligation	21.16	8.86
Closing defined benefit obligation	124.32	72.41

1. NOTES (Contd.)

The Company would not contribute any amount to gratuity in 2012 – 13 as the scheme is unfunded.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

(Rs. in lacs)

Particulars	Gratuity	
	March 31, 2013	March 31, 2012
Investment with Insurer	N.A.	N.A.

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below :

(Rs. in lacs)

Particulars	Gratuity	
	March 31, 2013	March 31, 2012
Discount Rate	8.00%	8.50%
Increase in compensation cost	5.00%	5.00%
Employee Turnover	5.00% and 10.00% *	5.00% and 10.00% *

The estimates of future salary increases, considered in actuarial valuation, are on account of inflation seniority, promotion and other relevant factors, such as supply and demand in the employment market.

*5% in case of employees with service period of more than 5 years and 10% for all other employees.

Amounts for the current and previous years(to the extent applicable) are as follows :

(Rs. in lacs)

Particulars	Gratuity		
	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	124.32	72.41	0.28
Plan assets	N.A.	N.A.	N.A.
Surplus / (deficit)	(124.32)	(72.41)	(0.28)
Experience adjustments on plan liabilities	15.69	(0.21)	NIL
Experience adjustments on plan assets	N.A.	N.A.	N.A.

Since the company has commenced the operations and recruited the employees only during the year 2010-11, there are no disclosures for any years prior to the year 2010-11.

1. NOTES (Contd.)

1.5 Segment Reporting

The company has two reportable segment viz. Trading of Used Commercial vehicles(Trading Division) and Facilitating the buyers / sellers to sell their vehicles (Service Division) which have been identified in line with the Accounting Standard 17 on Segment Reporting, taking into the account organizational Structure as well as differential risk and return of these segments.

(Rs. in lacs)

	Year ended March 31, 2013			
Particulars	**Trading Division**	**Service Division**	**Unallocated corporate items**	**Total**
Segment Revenue	84.17	7,412.49	38.80	7,535.46
Segment Results	(11.12)	1,412.92	28.16	1,429.96
(Profit / (Loss) before tax)				
Less : Interest				4.24
Net profit / (loss) before tax				1,425.72
Less : Tax (expense)/income				29.70
Net profit / (Net loss)				1,396.02
Other Information :				
Segment assets	-	4,728.52	-	4,728.52
Unallocated corporate assets	-	-	260.30	260.30
Total Assets	-	4,728.52	260.30	4,988.81
Segment Liablities	-	2,015.30	-	2,015.30
Unallocated corporate liabilities	-	-	-	-
Total Liabilities	-	2,015.30	-	2,015.30
Capital expenditure	-	69.67	-	69.67
Depreciation	-	376.68	-	376.68

(Rs. in lacs)

	Year ended March 31, 2012			
Particulars	**Trading Division**	**Service Division**	**Unallocated corporate items**	**Total**
Segment Revenue	5,947.16	4,781.72	0.65	10,729.53
Segment Results	(1,581.44)	1,921.75	(169.51)	170.80
(Profit / (Loss) before tax)				
Less : Interest	209.08	-	-	209.08
Net profit / (loss) before tax				(38.28)
Less : Tax (expense)/income				7.84
Net profit / (Net loss)				(30.44)
Other Information :				
Segment assets	996.56	1,630.67	-	2,627.23
Unallocated corporate assets	-	-	118.78	118.78
Total Assets	996.56	1,630.67	118.78	2746.01
Segment Liablities	478.85	668.12	0.00	1,146.97
Unallocated corporate liabilities	-	-	21.55	21.55
Total Liabilities	478.85	668.12	21.55	1,168.52
Capital expenditure	509.03	899.26	96.83	1505.12
Depreciation	119.71	208.14	13.83	341.68

1. NOTES (Contd.)

1.6 Leases

In case of assets taken on lease

The Company has taken various office premises, furniture and fixtures, computers and plant and equipment under operating lease. All these lease payment are cancellable in nature and are renewable by mutual consent on mutually agreed terms. The lease payments recognized in the Statement of Profit and Loss are Rs.119.48 lacs (March 31, 2012: Rs. 98.74 lacs). Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements. There are no sub leases.

1.7 Related Party Disclosure

Related party where control exists	
Holding Company	Shriram Transport Finance Company Limited (STFCL) (From the inception i.e. February 11, 2010)
Other Related Parties	
Enterprises having significant influence over the Company	Shriram Holdings (Madras) Pvt. Ltd. (till November 05, 2012)
	Shriram Capital Ltd.
	Newbridge India Investments II Limited
	Shriram Ownership Trust
	Shriram Financial Ventures (Chennai) Pvt Ltd (with effect from August 31, 2012)
Fellow Subsidiary	Shriram Equipment Finance Company Ltd. (SEFCL)
	Shriram Insurance Broking Company Ltd (SIBCL) (with effect from January 01, 2013)
Key Managerial Personnel	Mr. Sameer Malhotra, Chief Executive Officer (with effect from April 01, 2011)
Relatives of Key Managerial Personnel	Mrs. Kamini Malhotra (spouse)

1. NOTES (Contd.)

1.7 Related Party Disclosure (Contd.)

(Rs. in lacs)

	Holding Company		Enterprises having significant influence over the Company		Fellow Subsidiary		Key Management personnel(Managing Director, Whole time director, manager and other mangerial personnel)		Relative of Key Management Personnel		Total	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Payments / Expenses												
Employee Benefits for key management personnel	-	-	-	-	-	-	64.24	48.62	-	-	64.24	48.62 #
Car hire charges	-	-	-	-	-	-	-	-	4.08	4.08	4.08	4.08
Unsecured loan	656.02	3,420.34	-	-	-	-	-	-	-	-	656.02	3,420.34
Interest on Loan	-	190.48	-	-	-	-	-	-	-	-	-	190.48
Inter Corporate Deposit paid	975.00	-	-	-	-	-	-	-	-	-	975.00	-
Administrative Expenses	193.09	257.01	-	-	-	-	-	-	-	-	193.09	257.01
Employee Benefits paid	18.61	-	-	-	-	-	-	-	-	-	18.61	-
Rent paid	17.59	-	-	-	-	-	-	-	-	-	17.59	-
Royalty to Shriram Ownership Trust	-	-	51.16	-	-	-	-	-	-	-	51.16	-
Payments to Shriram Equipment Finance Company Ltd	-	-	-	-	7.17	-	-	-	-	-	7.17	-
Receipts / Income												
Equity Share Capital	-	2,000.00	-	-	-	-	-	-	-	-	-	2,000.00
Unsecured Loan												
- Administrative expenses	78.07	1,157.65	-	-	-	-	-	-	-	-	78.07	1,157.65
- Reimbursement of Rent	83.10	-	-	-	-	-	-	-	-	-	83.10	-
- Receipts of commission on business mobilisation services	138.09	-	-	-	-	-	-	-	-	-	138.09	-
Employee Benefits received	86.90	113.27	-	-	-	-	-	-	-	-	86.90	113.27
Interest on Inter Corporate Deposit paid	26.45	-	-	-	-	-	-	-	-	-	26.45	-
Receipts from Shriram Equipment Finance Company Ltd	-	-	-	-	-	7.17	-	-	-	-	-	7.17

1. NOTES (Contd.)

1.7 Related Party Disclosure (Contd.)

(Rs. in lacs)

	Holding Company		Enterprises having significant influence over the Company		Fellow Subsidiary		Key Management personnel(Managing Director, Whole time director, manager and other mangerial personnel)		Relative of Key Management Personnel		Total	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Other transactions												
Guarantees given by Holding Company	-	(1,000.00)	-	-	-	-	-	-	-	-	-	(1,000.00)
Balance outstanding												
Equity Share Capital	3,000.00	3,000.00	-	-	-	-	-	-	-	-	3,000.00	3,000.00
Unsecured Loan Payable	118.83	493.17	-	-	-	-	-	-	-	-	118.83	493.17
Interest payable on Unsecured Loan	-	28.70	-	-	-	-	-	-	-	-	-	28.70
Amount payable for administrative expenses incurred	16.64	139.93	-	-	-	-	-	-	-	-	16.64	139.93
Amount payable to Shriram Equipment Finance Company Ltd	-	-	-	-	-	7.17	-	-	-	-	-	7.17
Royalty payable to Shriram Ownership Trust	-	-	12.64	-	-	-	-	-	-	-	12.64	-
Amount recoverable												
Recoverable	42.42	-	-	-	-	-	-	-	-	-	42.42	-
Inter Corporate Deposit	975.00	-	-	-	-	-	-	-	-	-	975.00	-
Guarantees given by the Holding Company	400.00	400.00	-	-	-	-	-	-	-	-	400.00	400.00

#**Note**: As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the Chief Executive Officer are not included above.

1. NOTES (Contd.)

1.8 Earnings per share

(Rs. in lacs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Net Profit/(Loss) as per Statement of Profit and Loss (Rs.) (A)	1,396.02	(30.44)
Weighted average number of equity shares for calculating Basic EPS (B)	30,000,000	17,622,951
Weighted average number of equity shares for calculating Diluted EPS (C)	30,000,000	17,622,951
Basic earnings/(loss) per equity share (In Rupees) (Nominal value Rs. 10 per share) (A) / (B)	4.65	(0.17)
Diluted earnings/(loss) per equity share (In Rupees) (Nominal value Rs. 10 per share) (A) / (C)	4.65	(0.17)

1.9 Deferred Tax Liabilities/ (Asset) (Net)

(Rs. in lacs)

The breakup of deferred tax asset / liabilities is as under	As at March 31, 2013	As at March 31, 2012
Deferred Tax Liabilities		
Timing difference on account of :		
Differences in depreciation in block of fixed assets as per tax books and financial books	-	14.99
Gross Deferred Tax Liabilities (A)	**-**	**14.99**
Deferred Tax Asset		
Timing difference on account of :		
Differences in depreciation in block of fixed assets as per tax books and financial books	12.11	-
Expenses disallowed under Income Tax Act, 1961	47.58	18.74
Prelimnary expenses	0.06	0.10
Gross Deferred Tax Assets (B)	**59.75**	**18.84**
Deferred Tax Liabilities /(Assets)(Net) (A-B)	**(59.75)**	**(3.85)**

1.10 Estimated amount of contracts on capital account (net of advances) not provided for is Rs 12.10 lacs. (March 31, 2012: Rs 5.38 lacs)

1.11 The Company has initiated the process of identification of 'suppliers' registered under the "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006" by obtaining confirmations from suppliers. Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under MSMED Act, 2006. Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid / payable are required to be furnished.

1.12 Additional information Pursuant to the provisions of Paragraph 3 of Part II of Schedule VI of the Act.
Details of Stock and Sales of Vehicles:
Year ended March 31, 2013

Opening Stock		Purchases	Closing Stock		Gross Sales	
Quantity (Nos)	Value (Rs in lacs)	Quantity (Nos)	Quantity (Nos)	Value (Rs in lacs)	Quantity (Nos)	Value (Rs in lacs)
25	96.11	-	-	-	25	84.17

Year ended March 31, 2012

Opening Stock		Purchases	Closing Stock		Gross Sales	
Quantity (Nos)	Value (Rs in lacs)	Quantity (Nos)	Quantity (Nos)	Value (Rs in lacs)	Quantity (Nos)	Value (Rs in lacs)
354	1,293.61	1,350.00	25.00	96.11	1,679	5,947.04

1.13 Previous year Comparatives
The figures for the previous year have been regrouped and reclassified, wherever necessary to conform to current year's classification.

(Rs. in lacs)

		As at March 31, 2013	As at March 31, 2012
2.	**SHARE CAPITAL**		
	Authorised		
	100,000,000 Equity Shares of Rs.10/- each	10,000.00	10,000.00
		10,000.00	**10,000.00**
	Issued, Subscribed & fully paid up		
	Equity shares		
	30,000,000 (March 31, 2012: 30,000,000) equity shares of Rs. 10/- each (All the above shares are held by the holding company, Shriram Transport Finance Company Ltd.)	3,000.00	3,000.00
	Total	**3,000.00**	**3,000.00**

a. **Reconciliation of the equity shares outstanding at the beginning and at end of reporting year.**

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	**Rs. in lacs**	**Number of shares**	**Rs. in lacs**
Shares outstanding at the beginning of the year	30,000,000	3,000.00	10,000,000	1,000.00
Shares issued during the year	-	-	20,000,000	2,000.00
Shares outstanding at the end of the year	**30,000,000**	**3,000.00**	**30,000,000**	**3,000.00**

b. The company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. Each equity share holder is entitled to receive interim/ final dividend as and when declared by the board of directors/ at the Annual General Meeting. The dividend is subject to approval of Shareholders in the ensuing Annual General Meeting.

c. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. There are no equity shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment, including the terms and amount.

e. There are no equity shares allotted as fully paid up bonus shares or pursuant to contracts without payment being received in cash. No equity shares have been bought back.

f. The company does not have an ultimate holding company.

g. **Details of shareholders holding more than 5% shares in the company**

Details of shareholding	As at March 31, 2013		As at March 31, 2012	
Name of the Shareholder	**Number of shares**	**% holding in the class**	**Number of shares**	**% holding in the class**
Holding company				
Shriram Transport Finance Company Ltd	30,000,000	100%	30,000,000	100%

(Rs. in lacs)

		As at March 31, 2013	As at March 31, 2012
3.	**RESERVES AND SURPLUS**		
	Surplus/(Deficit) in the statement of Profit and Loss		
	Balance as per last Financial Statement	(1,422.51)	(1,392.07)
	Add: Net profit/(loss) for the current year	1,396.02	(30.44)
	Closing balance	**(26.49)**	**(1,422.51)**

(Rs. in lacs)

		As at March 31, 2013	As at March 31, 2012
4.	**TRADE PAYABLES**		
	Sundry creditors other than Micro, Small and Medium Enterprises		
	- for expenses #	616.97	314.61
	- for others *	729.92	81.65
		1,346.89	**396.26**

includes dues to Shriram Transport Finance Company Ltd of Rs 16.64 Lacs (March 31,2012: Rs 139.93 lacs)
* includes dues to Shriram Equipment Finance Company Ltd of Rs Nil (March 31,2012: Rs 7.17 lacs)

(Rs. in lacs)

		As at March 31, 2013	As at March 31, 2012
5.	**OTHER CURRENT LIABILITIES**		
	Sundry creditors other than Micro,Small and Medium Enterprises		
	- for fixed assets	14.18	27.67
	Interest accrued but not due to Shriram Transport Finance Company Ltd	-	28.70
	Advances and Deposits from Customers	-	9.47
	Temporary credit balance in bank accounts	55.73	50.96
	Other liabilities		
	- Tax on Sales	-	1.16
	- Income Tax Deducted at Source	19.63	24.91
	- Service tax payable	26.34	-
	- Statutory Dues pertaining to employees	15.01	11.48
		130.89	**154.35**

(Rs. in lacs)

		As at March 31, 2013		As at March 31, 2012	
		Long term	Short term	Long term	Short term
6.	**PROVISIONS**				
	For leave encashment and availment	-	94.15	-	52.33
	For gratuity	116.14	8.19	67.58	4.83
		116.14	**102.34**	**67.58**	**57.16**

(Rs. in lacs)

		As at March 31, 2013	As at March 31, 2012
7.	**SHORT TERM BORROWINGS**		
	Secured Loan		
	Cash credit from bank *	200.21	-
	Unsecured Loan		
	From Shriram Transport Finance Company Ltd	118.83	493.17
		319.04	**493.17**

* Cash credit from bank [Sanctioned Limit as at March 31, 2013 Rs 1500 lacs and March 31, 2012 Rs 1500 lacs] is secured by first charge on the entire current assets of the company. The debit balance of Rs. 0.09 lacs as at March 31, 2012 are included as Balances on current account with bank under "Cash and Cash Equivalents," Note 13.

(Rs. in lacs)

Particulars	Tangible Assets						Intangible Assets		
	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvement	Total Tangible Assets	Computer software	Trademarks	Total Intangible Assets
8. TANGIBLE AND INTANGIBLE FIXED ASSETS									
Gross Block									
As at April 1, 2011	45.38	0.17	10.34	1.85	266.73	324.47	-	4.64	4.64
Additions	384.88	3.09	84.67	1.79	855.54	1,329.97	175.15	-	175.15
Deletions	-	-	-	-	-	-	-	-	-
As at March 31, 2012	**430.26**	**3.26**	**95.01**	**3.64**	**1,122.27**	**1,654.44**	**175.15**	**4.64**	**179.79**
Additions	**56.39**	**0.24**	**8.64**		**4.40**	**69.67**	**-**	**-**	**-**
Deletions	57.12	1.01	13.06	-	24.74	95.93	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-
As at March 31, 2013	**429.53**	**2.49**	**90.59**	**3.64**	**1,101.93**	**1,628.18**	**175.15**	**4.64**	**179.79**
Depreciation									
As at April 1, 2011	**3.67**	**0.17**	**7.98**	**0.02**	**6.46**	**18.30**	**-**	**0.27**	**0.27**
Charge for the year / period	95.75	0.87	39.48	0.57	179.94	316.61	24.60	0.47	25.07
Deletions	-	-	-	-	-	-	-	-	-
As at March 31, 2012	**99.42**	**1.04**	**47.46**	**0.59**	**186.40**	**334.91**	**24.60**	**0.74**	**25.34**
Charge for the year / period	78.16	0.46	8.04	0.71	230.47	317.84	58.38	0.46	58.84
Deletions	**19.53**	**0.48**	**9.37**	**-**	**15.52**	**44.90**	**-**	**-**	**-**
Adjustment	-	-	-	-	-	-	-	-	-
As at March 31, 2013	**158.05**	**1.02**	**46.13**	**1.30**	**401.35**	**607.85**	**82.98**	**1.20**	**84.18**
Net Block									
As at March 31, 2012	**330.84**	**2.22**	**47.55**	**3.05**	**935.87**	**1,319.53**	**150.55**	**3.90**	**154.45**
As at March 31, 2013	**271.48**	**1.47**	**44.46**	**2.34**	**700.58**	**1,020.33**	**92.17**	**3.44**	**95.61**

Depreciation and amortisation	Year ended	
	March 31, 2013	March 31, 2012
on tangible assets	317.84	316.61
on intangible assets	58.84	25.07
Total	**376.68**	**341.68**

(Rs. in lacs)

		As at March 31, 2013		As at March 31, 2012	
		Non Current portion	Current portion	Non Current portion	Current portion
9.	**LOANS AND ADVANCES**				
	Unsecured, considered good				
	Capital Advances	20.84	-	18.67	-
	Advances recoverable in cash or in kind or for value to be received				
	Unsecured, considered good	98.60	363.45	-	115.52
	Unsecured, considered doubtful	-	16.38	-	16.17
		98.60	**379.83**	**-**	**131.69**
	Less: Provision for doubtful advances	-	(16.38)	-	(16.17)
		98.60	**363.45**	**-**	**115.52**
	Other Loans and Advances - Unsecured, considered good				
	Security deposits	356.40	74.05	473.60	6.39
	Inter corporate deposit paid	-	975.00	-	-
	Advance Income Tax (net of provision for taxation) [net of provision for income tax of Rs 273.88 lacs (March 31,2012: Rs Nil)]	12.26	-	0.05	-
	MAT credit entitlement	188.29	-		
	Service tax credit	-	16.37	-	1.31
	Prepaid expenses	-	22.22	-	9.92
		676.39	**1,451.09**	**492.32**	**133.14**

(Rs. in lacs)

		As at March 31, 2013		As at March 31, 2012	
		Non Current portion	Current portion	Non Current portion	Current portion
10.	**OTHER ASSETS**				
	Fixed Deposit with banks (Refer Note no. 13) #	1.00	-	1.50	-
	Interest accrued on fixed deposits with bank	0.16	0.11	0.13	-
		1.16	**0.11**	**1.63**	**-**

Fixed Deposits are pledged with VAT authorities

(Rs. in lacs)

		As at March 31, 2013	As at March 31, 2012
11.	**INVENTORIES**		
	Stock in Trade (at lower of cost and net realisable value)		
	Stock of Used Commercial Vehicles	-	96.11
	Less: Provision for non moving Inventory	-	3.23
		-	**92.88**

(Rs. in lacs)

		As at March 31, 2013 Current portion	As at March 31, 2012 Current portion
12.	**TRADE RECEIVABLES**		
	Unsecured, considered good		
	Outstanding for a period exceeding six months from the date they are due for payment	-	-
	Other receivables	0.49	25.80
		0.49	**25.80**

(Rs. in lacs)

		As at March 31, 2013		As at March 31, 2012	
		Non Current portion	Current portion	Non Current portion	Current portion
13.	**CASH AND BANK BALANCES**				
	Cash and cash equivalents				
	i) Balances with scheduled banks in:				
	Current accounts	-	1,678.99	-	469.24
	ii) Cheques on hand	-	-	-	16.33
	iii) Cash on hand	-	0.29	-	36.84
		-	**1,679.28**	**-**	**522.41**
	Other bank balances				
	Deposits with orginal maturity for more than 12 months	1.00	0.50	1.50	-
		1.00	0.50	1.50	-
	Amount disclosed under other assets (Refer Note 10) #	**(1.00)**		**(1.50)**	
		-	**1,679.78**	**-**	**522.41**

Fixed Deposits are pledged with VAT authorities

(Rs. in lacs)

		For the Year ended March 31, 2013	For the Year ended March 31, 2012
14.	**REVENUE FROM OPERATIONS**		
	Sales of used Commercial Vehicles	84.17	5,947.04
	Buyer/Seller Facilitation fees	7,412.49	4,781.72
		7,496.66	**10,728.76**

(Rs. in lacs)

		For the Year ended March 31, 2013	For the Year ended March 31, 2012
15.	**OTHER INCOME**		
	Interest on deposits with bank	0.13	0.11
	Interest on Inter corporate deposit	26.45	-
	Interest on Loan to employees	10.10	0.65
	Miscellaneous Income	2.12	0.01
		38.80	**0.77**

(Rs. in lacs)

		For the Year ended March 31, 2013	For the Year ended March 31, 2012
16.	**ADJUSTMENT DUE TO DECREASE/(INCREASE) IN STOCK OF USED COMMERCIAL VEHICLES**		
	Opening stock (A)	96.11	1,293.61
	Less: Closing stock (B)	-	96.11
	Decrease/(Increase) in stock of used commercial vehicles (A-B)	**96.11**	**1,197.50**

(Rs. in lacs)

		For the Year ended March 31, 2013	For the Year ended March 31, 2012
17.	**EMPLOYEES BENEFIT EXPENSE**		
	Salaries, allowances and Bonus	2,580.30	913.13
	Gratuity	38.81	9.11
	Contribution to provident and other funds	86.26	39.58
	Staff welfare Expenses	20.93	17.64
	Cost of Staff reimbursed (deputed by Shriram Transport Finance Company Ltd)	78.07	1,085.78
		2,804.37	**2,065.24**

(Rs. in lacs)

		For the Year ended March 31, 2013	For the Year ended March 31, 2012
18.	**FINANCE COST**		
	Interest expense		
	Interest on Loan from Bank	0.30	3.22
	Interest on Loan from Holding Company	-	190.48
	Interest - others	3.94	-
	Other borrowing costs		
	Processing charges for bank facilities	-	15.38
		4.24	**209.08**

(Rs. in lacs)

	For the Year ended March 31, 2013	For the Year ended March 31, 2012
19. OTHER EXPENSES		
Lease Rent for office premises, Computers, Furnitures and Plant and machinery (Refer Note No 1.6)	119.48	98.74
Lease Rent for Parking Yards	428.19	645.81
Electricity expenses	58.45	31.92
Registration & Filing fees	-	42.70
Royalty Paid	51.16	-
Buyer / Seller Facilitation expenses	502.31	320.80
Security charges	184.86	134.91
Repairs & Maintenance		
- Plant	13.68	-
- Others	85.64	89.24
Rates & taxes	31.44	5.08
Printing & stationery	95.52	50.48
Travelling & conveyance	659.27	398.61
Bank charges	30.63	55.45
Advertisement	9.27	121.77
Business Promotion	63.43	54.66
Directors Sitting fees	0.61	0.75
Insurance	16.30	12.73
Communication Expenses	114.97	81.11
Payment to Auditor's.		
As Auditor		
- Audit Fees	6.00	5.33
- Tax Audit Fees	3.00	1.46
- Out of pocket	1.03	0.79
Legal & professional charges	209.85	59.33
Provision for non moving Inventory	(3.23)	3.23
Asset Scrap	10.27	-
Miscellaneous expenses	133.80	93.65
	2,825.93	**2,308.55**

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