SOPHISTICATED TRANSPORT SERVICES PVT. LTD.

CIN : U63000MH1988PTC046968
74/80, BABU GENU ROAD, SOURI BLDG., 3RD FLOOR, KALBADEVI, MUMBAI-400 002.
TEL.: 2206 2372

DIRECTORS' REPORT

To
The Members

Your Directors have pleasures in presenting their 29th **Annual Report** on the business and operations of the Company with the Audited Statement of Accounts for the year ended 31st **March' 2017.**

1) FINANCIAL RESULTS /PERFORMANCE OF THE COMPANY :

A summary of the Company's financial performance for the year **2017** under review along with previous year is produced below.

(Amt. in Rupees)

Particulars	2017	2016
Revenue from Operations(Net) and other income	13,91,701	86,785
Profit Before Tax (PBT)	3,11,658	(1,78,634)
Less : Provision for Tax	60,000	18,094
Profit After Tax (PAT)	2,51,658	(1,60,540)
Add : Balance brought forward from previous year	35,36,726	36,97,266
Less : Adjustment of Depreciation for earlier years	0	0
Profit available for Appropriations	37,88,384	35,36,726
Appropriations:		
Less : Transfer to General Reserve	0	0
Less : Proposed Dividend on Equity Shares	0	0
Less : Tax on Dividend	0	0
Surplus carried to the next year's account	37,88,384	35,36,726

2) OPERATIONS :

The Company has reported total income of Rs. **13,91,701/-** for the current year as compared to Rs. **86,785/-** in the previous year. The Net Profit/Loss for the year under review amounted to **Rs.2,51,658** in the current year as compared to Rs. **(1,60,540)/-** in the previous year.

3) APPROPRIATIONS :

The Company has not transferred any amount to reserves.

4) DIVIDEND :

Your Directors do not propose any dividend for the Financial Year ended **31st March' 2017** due to conservation of long term capital requirement.

FOR SOPHISTICATED TRANSPORT SERVICES PVT. LTD.

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5) **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

6) **STATE OF COMPANY'S AFFAIR :**

The overall business for the financial year ended **31st March' 2017** was positive and the Company delivered stable results throughout the last financial year. The business prospects for the next 6 months look stable for the Company.

7) **CHANGE IN THE NATURE OF BUSINESS :**

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

8) **MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR :**

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

9) **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE :**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

10) **SUBSIDIARY / JOINT VENTURES/ ASSOCIATE COMPANIES :**

As on **31st March' 2017**, the Company does not have any subsidiary or Joint Venture or Associate Company

11) **PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT :**

The provisions of Section 129(3) of the Companies Act, 2013 do not apply as there was no subsidiary or Joint Venture or Associate Company as on **31st March' 2017**.

12) **RISK MANAGEMENT POLICY :**

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

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13) **DEPOSITS :**

The Company has neither accepted nor renewed any deposits from the public during the year ended **31st March' 2017**. There were no unclaimed or unpaid deposits as on **31st March' 2017**.

14) **SHARE CAPITAL :**

A. CHANGES IN SHARE CAPITAL, IF ANY

During the Financial Year **2016-17**, the share capital of the Company has been unchanged. The company has not issued or allotted any equity shares Private Placement/Preferential allotment/Rights issue /Employee Stock Option Scheme of the Company.

B. DIFFERENTIAL RIGHTS :

The Company has not issued any Equity Shares with Differential Rights as stated in Rule 4 (4) of the Companies (Share Capital and Debentures Rules, 2014) during the year under review.

C. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

D. BONUS SHARES

No Bonus Shares were issued during the year under review.

E. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

F. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

15) **DIRECTORS :**

A. DIRECTORS OR KEY MANAGERIAL PERSONNEL AND CHANGES IF ANY

Mr. Anirudh Todi and Mr. Brijbala Anirudh Todi continue to remain as Directors of the Company.

B. DECLARATION BY INDEPENDENT DIRECTORS AND RE-APPOINTMENT, IF ANY

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

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C. FORMAL ANNUAL EVALUATION

Formal Annual Evaluation of the Board of its own Performance, its Directors, and that of its Committees is not applicable to our Company.

D. COMPANY'S POLICY RELATING TO ON DIRECTORS' APPOINTMENT AND REMUNERATION AND DISCHARGE OF THEIR DUTIES. :

The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

E. MANAGERIAL REMUNERATION

The provisions of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company. As it is the Private Limited Company

16) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year **6 (Six)** Board Meetings were convened and held. The details of which are given below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Dates of Board meetings

1. **04th April' 2016**
2. **09th July' 2016**
3. **01st September' 2016**
4. **23rd December' 2016**
5. **30th January' 2017**
6. **10th March' 2017**

17) DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

(a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,

FOR SOPHISTICATED TRANSPORT SERVICES PVT. LTD.

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FOR SOPHISTICATED TRANSPORT SERVICES PVT. LTD.

DIRECTOR

(d) that the directors had prepared the annual accounts on a going concern basis; and

(e) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18) INTERNAL FINANCIAL CONTROLS

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board`s report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

1. The internal financial control systems are commensurate with the size and nature of its operations.

2. All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.

3. Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.

4. The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Board of Directors for review and necessary action.

19) CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

20) VIGIL MECHANISM:

The company is not required to constitute a vigil mechanism pursuant to the provision of the Companies Act, 2013 and the rules framed there under.

21) DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has not received any complaints during the financial year. Your directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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22) EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return pursuant to Section 92(3) read with Rule 12 of Companies (Management and Administration) Rules, 2014 of the Companies Act, 2013, as prescribed in **Form MGT-9** is furnished in **Annexure A** and is attached to this report

23) PARTICULARS OF EMPLOYEEES ANDS RELATED DISCLOSURES :

None of the employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

Nothing to be reported under this head for the financial year under review.

B. TECHNOLOGY ABSORPTION

Nothing to be reported under this head for the financial year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no foreign exchange inflow or Outflow during the year under review.

25) AUDITORS AND AUDITOR 'S REPORT

A. STATUTORY AUDITORS

M/s. Pansari & Dalmia, Chartered Accountants, **Mumbai** were appointed as Statutory Auditors for a period of **Five** years in the Annual General Meeting held on **29th September' 2014** subject to the ratification of the members at every general meeting. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

B. AUDITORS' REPORT

The Notes on Financial Statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report for the year ended **31st March' 2017** does not contain any qualification, reservation, adverse remark or disclaimer.

26) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

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27) **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

28) **ACKNOWLEDGEMENT**

The Directors express their sincere appreciation to the valued shareholders, bankers and customers, vendors for their continued support during the year.

For and on behalf of the Board
Sophisticated Transport Services Private Limited

Anirudh Todi
Chairman

Place : **Mumbai**
Date : **04th September' 2017**

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