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**NORTH EASTERN CARRYING CORPORATION LIMITED**  
**Notes to the financial statements for the year ended March 31, 2019**

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**1. Corporate information**

North Eastern Carrying Corporation Limited is a Limited Company incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of transportation.

**2. Basis of preparation of Financial Statements****(i) Statement of compliance:**

The financial statements of the Company for the year ended 31 March 2019 are prepared in all material aspects in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant provisions of the Companies Act, 2013.

**(ii) Basis of Preparation:**

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

**(iii) Basis of Measurement**

The financial statements have been prepared under the historical cost convention except for the following which have been measured at fair value:

- Financial assets and liabilities except borrowings carried at amortised cost

**3. Significant accounting policies:****i) Property, plant and equipment:**

Property, plant and equipment are stated at original cost net of tax /duty credit availed, less accumulated depreciation and accumulated impairment Losses, if any, Cost includes all incidental expenses relating to acquisition and installation of Property, plant and equipment.

Depreciation on computers and related equipment is provided on the written down value method except on Lorry & Trucks on which depreciation is provided on straight line method over their useful lives and in the manner prescribed under Schedule II of the Companies Act, 2013.

An Item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**ii) Cash and cash equivalents:**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are ready convertible into known amounts of cash and which are subject to insignificant risk of change in value.

**iii) Employees Benefits:****a) Short term employee benefits**

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

**b) Post-employment benefits**

The Company makes specified monthly contribution towards employee provident fund to the Government. The minimum interest payable by the Government to the beneficiaries every year is notified by the government.

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each

period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

**Termination benefits:**

Termination benefits are recognised as an expense in the period in which they are incurred.

**iv) Foreign currency transactions:**

**(a) Functional and presentation Currency**

The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

**(b) Transaction and Balance**

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of profit and loss.

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 transactions.

**v) Revenue recognition:**

Revenue is recognised to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured.

**vi) Provisions and contingencies**

**(a) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

**(b) Contingencies**

A disclosure for contingent liability is made when there is possible obligation arising from past event the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A disclosure for contingent assets is also made when there is possibility of an inflow of economic benefits to the entity which arise from unplanned or other unexpected events.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

**vii) Earnings per share:**

Basic earnings per share are computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.

**viii) Income Taxes:**

Income tax comprises current tax (including MAT) and deferred tax. Income tax expenses is recognized in net profit in statement of Profit and loss extent to the extent that it relates to items recognised directly in other comprehensive income/equity, in which case it is recognized in other comprehensive income/equity.

Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961. Current tax asset and liabilities are offset when company has a legally enforceable right to set off the recognized amount and also intends to settle on net basis.

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary difference arises between the tax bases of assets and liabilities and their carrying amount in the financial statement

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that

sufficient taxable profit will be available against which those deductible temporary differences can be utilised. Deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is measured at the tax rates and tax law that that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the year in which those temporary difference is expected to be recovered or settled.

**ix) Financial instruments:**

**Initial measurement**

Financial instrument is recognised as soon as the company becomes a party to the contractual provision of the instruments. All Financial assets and financial liabilities are measured at fair value on initial recognition, except for trade receivable which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial instrument (other than financial measured at fair value through profit or loss) are added or deducted from the value of the financial instrument, as appropriate, on initial recognition.

Financial Instrument stated as financial assets or financial liabilities are generally not offset, and they are only offset when legal rights to set off exist at that and settlement on a net basis is intended.

**Subsequent measurement**

**Financial assets:**

Subsequent measurement of financial assets depends on their classification as follows: -

**(a) Financial asset carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within business model whose objective is to hold the asset in order to collect contractual cash flow and the contractual term of the asset give rise on specified dates to cash flow that are solely payment of principal and interest on the principal amount outstanding.

**(b) Financial asset carried at Fair Value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset the contractual term of the asset give rise on specified dates to cash flow that are solely payment of principal and interest on the principal amount outstanding.

For all other equity instrument, the company makes irrevocable election to present in other comprehensive income subsequent change in fair value. The company makes such election on an instrument- to- instrument basis.

**(c) Financial asset carried at Fair Value through Profit and loss**

A financial asset which is not classified in any of the above category is subsequently measured at fair value through profit and loss.

**Financial liabilities and equity instruments:**

Debts and equity instrument issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.

**a) Equity Instruments**

An equity instrument is any contract that an evidence and residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

**b) Financial Liabilities**

All Financial liabilities are subsequently measured at amortised cost using the Effective interest method.

**De-recognition of financial Instrument: -**

A financial asset is primarily derecognized when the contractual right to the cash flow from the financial asset expires and it transfers the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**(x) Impairment**

**A) Financial Asset**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**B) Non-Financial Asset****(a) Property, plant and equipment and Intangible asset**

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of profit and loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, had no impairment loss been recognized.

Post Impairment, depreciation/amortisation is provided on the revised carrying value of the impaired assets over its remaining useful life.

**Critical accounting estimates, assumptions and judgments**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on the amounts recognised in the financial statement. Uncertainty about these assumptions and estimates could result in outcome that requires a material adjustment to assets or liabilities affected in future periods.

**i) Property, plant and equipment**

Property, Plant and equipment represent at proportion of the asset base of the company. The useful lives and residual value of the company's asset are determined by the management at the time the asset is acquired and reviewed at each reporting date.

**ii) Income taxes**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**iii) Contingencies**

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**iv) Allowance for uncollected accounts receivable and advances**

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables and advances are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

**v) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**vi) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**vii) Fair value measurement of financial instruments**

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

**NORTH EASTERN CARRYING CORPORATION LIMITED**  
Notes forming part of Balance Sheet & Statement of Profit & Loss

**Note - 4 and 5 Property, Plant, Equipment and Other Intangible Assets**

Particulars	Computers	Office Equipment	Furniture & Fixtures	Electrical Installation & Fittings	Lorry & Trucks (SLM)*	Cars,		Building	Total	Goodwill	Total
						Scooters & Cycles	Land				
<b>Gross Block</b>											
As at April 1, 2017	1,28,35,735	38,78,122	77,05,846	8,38,485	19,72,59,100	5,47,31,763	33,20,972	2,72,12,274	30,77,82,287	5,33,74,000	5,33,74,000
Additions	6,76,070	2,15,705	1,09,494	0	2,93,91,869	64,80,878	0	0	3,68,74,016	0	0
Disposal	32,550	26,000	0	0	4,48,68,011	1,51,98,253	0	0	6,01,24,814	0	0
Adjustments	0	0	0	0	0	0	0	0	0	0	0
As at April 1, 2018	1,34,79,255	40,67,827	78,15,340	8,38,485	18,17,82,958	4,60,14,378	33,20,972	2,72,12,274	28,45,31,489	5,33,74,000	5,33,74,000
Additions	5,80,326	2,13,682	2,57,143	0	5,16,67,069	52,63,407	0	0	5,79,81,627	0	0
Disposal	59,550	0	0	0	2,49,64,057	14,18,716	0	0	2,64,42,323	0	0
Adjustments	0	0	0	0	0	0	0	0	0	0	0
As at March 31, 2019	1,40,00,031	42,81,509	80,72,483	8,38,485	20,84,85,970	4,98,59,069	33,20,972	2,72,12,274	31,60,70,793	5,33,74,000	5,33,74,000
<b>Accumulated Depreciation</b>											
As at April 1, 2017	1,09,98,152	31,60,598	69,84,598	5,12,900	10,68,16,686	3,61,77,853	0	1,15,08,110	17,61,58,897	0	0
Depreciation for the period	10,77,969	3,62,016	1,21,055	89,307	2,22,67,435	67,57,415	0	7,64,793	3,14,39,990	0	0
Disposal	30,922	24,700	0	0	4,35,50,397	1,31,70,056	0	0	5,67,76,075	0	0
As at April 1, 2018	1,20,45,199	34,97,914	71,05,653	6,02,207	8,55,33,724	2,97,65,212	0	1,22,72,903	15,08,22,812	0	0
Depreciation for the period	7,20,420	2,55,437	1,34,707	64,591	2,61,02,939	60,38,830	0	7,27,547	3,40,44,471	0	0
Disposal	56,572	0	0	0	1,73,49,360	12,28,058	0	0	1,86,33,990	0	0
Adjustments	0	0	0	0	0	0	0	0	0	0	0
As at March 31, 2019	1,27,09,047	37,53,351	72,40,360	6,66,798	9,42,87,303	3,45,75,984	0	1,30,00,450	16,62,33,293	0	0
<b>Net carrying amount</b>											
As at March 31, 2018	14,34,056	5,69,913	7,09,687	2,36,278	9,62,49,234	1,62,49,166	33,20,972	1,49,39,371	13,37,08,676	5,33,74,000	5,33,74,000
As at March 31, 2019	12,90,984	5,28,158	8,32,123	1,71,687	11,41,98,667	1,52,83,085	33,20,972	1,42,11,824	14,98,37,499	5,33,74,000	5,33,74,000

\* Includes the asset of Rs 2,24,66,737.50 which has not put to use till March 31, 2019

For and on behalf of board of  
North Eastern Carrying Corporation Limited

Sd/- <b>Sunil Kumar Jain</b> Managing Director DIN : 00010695	Sd/- <b>Utkarsh Jain</b> Director DIN : 05271884
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Sd/- <b>Mamta Bisht</b> Company Secretary M. No. 30347	Sd/- <b>S. L. Yadav</b> CFO
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**NORTH EASTERN CARRYING CORPORATION LIMITED**

**Notes forming part of Balance Sheet and Profit & Loss Statement for the year ended 31st March, 2019**

	<b>As On 31.03.2019 Amt.In (Rs.)</b>	<b>As On 31.03.2018 Amt.In (Rs.)</b>
<b>Note : 6 Non-Current Loans</b>		
(Unconfirmed, Unsecured and Considered Good)		
Security Deposits	1,81,581	1,81,581
Earnest Money Deposits	92,08,241	84,74,130
Landlord Security Deposits	3,42,12,364	3,24,20,181
<b>Total</b>	<b>4,36,02,186</b>	<b>4,10,75,892</b>
<b>Note : 8 Trade Receivables</b>		
(Unconfirmed, Unsecured and Considered Good)		
Debts outstanding for more than six months	9,99,68,848	8,39,53,108
Others Debts	99,79,78,398	89,23,35,372
<b>Total</b>	<b>109,79,47,246</b>	<b>97,62,88,480</b>
<b>Note : 9 Cash &amp; Cash Equivalent</b>		
Cash-in-Hand		
Cash in Hand	1,48,08,765	1,21,34,205
Funds In Transit	2,07,31,126	33,29,740
	<b>3,55,39,891</b>	<b>1,54,63,945</b>
<b>Bank Balance</b>		
Balance - In Current A/c	2,18,15,408	2,16,17,041
Fixed deposit under PMGKY (Three Years maturity)	17,50,000	17,50,000
Balance - In Fixed Deposits	11,10,198	73,01,247
	<b>2,46,75,606</b>	<b>3,06,68,288</b>
<b>Total</b>	<b>6,02,15,497</b>	<b>4,61,32,234</b>
<b>Note : 10 Loans</b>		
(Unconfirmed, Unsecured & Considered Good)		
(Advance recoverable in cash or in kind or for value to be recd.)		
Staff Advances	3,29,33,648	2,75,01,535
Rates & Taxes Receivable	3,33,23,132	1,19,00,986
Prepaid Expenses & Recoverables	19,98,344	3,81,246
Advance Income Tax/TDS (AY 17-18)	2,90,05,073	2,90,05,073
Advance Income Tax/TDS (AY 19-20)	4,28,65,519	0
Advance Income Tax/TDS (AY 18-19)	3,57,78,183	3,57,78,183
GST	6,87,503	0
Other Advances	23,38,86,527	18,19,76,115
Interest Accrued but not recieved on FDR	12,14,475	8,11,061
<b>Total</b>	<b>41,16,92,404</b>	<b>28,73,54,198</b>
<b>Note : 12 Other Equity</b>		
<b>Refer Statement of change in Equity for detailed movement in equity balance</b>		
Shree Ganesh Ji Maharaj	1,101	1,101
<b>Reserves &amp; Surplus</b>		
Retained Earnings	36,70,33,045	32,16,88,258
<b>Total</b>	<b>36,70,34,146</b>	<b>32,16,89,359</b>

**For and on behalf of board of  
North Eastern Carrying Corporation Limited**

Sd/-  
**Sunil Kumar Jain**  
Managing Director  
DIN : 00010695

Sd/-  
**Utkarsh Jain**  
Director  
DIN : 05271884

Sd/-  
**Mamta Bisht**  
Company Secretary  
M. No. 30347

Sd/-  
**S. L. Yadav**  
CFO

**NORTH EASTERN CARRYING CORPORATION LIMITED**

Notes forming part of Balance Sheet and Statement of Profit & Loss for the year ended 31st March, 2019

	As On 31.03.2019 <u>Amt.In (Rs.)</u>	As On 31.03.2018 <u>Amt.In (Rs.)</u>
<b>Note - 11: Share Capital</b>		
<b>Authorized Share Capital :</b>		
54000000 (54000000) Equity Shares of Rs 10 each	54,00,00,000	54,00,00,000
<b>Issued , Subscribed and fully paid up shares :</b>		
50197336 (50197336) Equity Shares of Rs 10 each fully paid up	50,19,73,360	50,19,73,360
<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period</b>		
At the beginning of the period	5,01,97,336	5,01,97,336
Issued during the period	0	0
At the end of the period	5,01,97,336	5,01,97,336

**Terms/Rights attached to equity shares**

a) 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. The equity share holder are eligible for dividend, if so declared. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing annual general meeting, except in case of Interim Dividend.

b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period and during five years immediately preceding the reporting date**

NIL

**Details of Shareholders holding more than 5% equity shares in the company**

NECC Automobiles (P) Limited	8334152(16.60%)	8334152(16.60%)
NECC Securities (P) Limited	7656880(15.25%)	7656880(15.25%)
Sunil Kumar Jain	7663768(15.27%)	7663768(15.27%)
Suvi Developers P Ltd	3631400(7.23%)	3631400(7.23%)
Religare Finvest Limited	6036494(12.03%)	6036494(12.03%)

**For and on behalf of board of  
North Eastern Carrying Corporation Limited**

Sd/- <b>Sunil Kumar Jain</b> Managing Director DIN : 00010695	Sd/- <b>Utkarsh Jain</b> Director DIN : 05271884
Sd/- <b>Mamta Bisht</b> Company Secretary M. No. 30347	Sd/- <b>S. L. Yadav</b> CFO

**NORTH EASTERN CARRYING CORPORATION LIMITED**

**Notes forming part of Balance Sheet and Profit & Loss Statement for the year ended 31st March, 2019**

	<b>As On 31.03.2019 Amt.In (Rs.)</b>	<b>As On 31.03.2018 Amt.In (Rs.)</b>
<b>Note : 13 Non Current Borrowings</b>		
Vehicle Loans:		
Kotak Mahindra Bank	52,34,990	1,57,35,400
ICICI Bank Ltd	5,07,432	2,82,176
HDFC Bank Limited	4,33,36,459	1,11,21,338
Yes Bank	0	69,345
(Secured against hypothecation of vehicles financed)		
Kotak Mahindra Bank - Working Capital Term Loan (Loans secured against hypothecation/charge on all the current assets incl. Book Debts and collaterally secured by charge against properties of Directors of the Company and other Associate companies and personal guarantee of some of Directors, their HUF and Corporate Guarantee of Associate companies)	1,49,86,759	6,85,56,216
<b>Total</b>	<u>6,40,65,639</u>	<u>9,57,64,474</u>
<b>Note : 14 Current Borrowings</b>		
HDFC Bank Limited	2,61,05,161	1,14,51,058
ICICI Bank Limited	4,73,745	3,39,269
Kotak Mahindra Bank	74,84,980	1,27,70,479
Yes Bank Ltd	69,345	84,795
BMW Financial Services Limited	0	16,86,418
(Secured against hypothecation of vehicles financed)		
Kotak Mahindra Bank - Working Capital Term Loan	5,36,53,120	4,86,18,994
Kotak Mahindra Bank ( OD A/c)	40,04,48,855	34,66,64,333
DBS (O/D A/c)	14,99,94,795	0
(All the loans secured against hypothecation/charge on all the current assets incl. Book Debts and collaterally secured by charge against properties of Directors of the Company and other Associate companies and personal guarantee of some of Directors, their HUF and Corporate Guarantee of Associate companies)		
Unsecured Loans (From Directors)	2,13,75,000	2,00,00,000
<b>Total</b>	<u>65,96,04,999</u>	<u>44,16,15,346</u>
<b>Note : 15 Trade Payables</b>		
Sundry Creditors	2,87,14,992	2,32,71,834
<b>Total</b>	<u>2,87,14,992</u>	<u>2,32,71,834</u>

**For and on behalf of board of  
North Eastern Carrying Corporation Limited**

Sd/-  
**Sunil Kumar Jain**  
Managing Director  
DIN : 00010695

Sd/-  
**Utkarsh Jain**  
Director  
DIN : 05271884

Sd/-  
**Mamta Bisht**  
Company Secretary  
M. No. 30347

Sd/-  
**S. L. Yadav**  
CFO

**NORTH EASTERN CARRYING CORPORATION LIMITED**

**Notes forming part of Balance Sheet and Profit & Loss Statement for the year ended 31st March, 2019**

	<b>As On 31.03.2019 Amt.In (Rs.)</b>	<b>As On 31.03.2018 Amt.In (Rs.)</b>
<b>Note : 16 Other Current Liabilities</b>		
Security Deposits	1,10,000	3,45,238
E. S. I. Payable	1,98,890	3,01,189
Provident Fund Payable	9,42,781	9,65,264
Professional Tax Payable	12,275	12,120
T. D. S. Payable	42,86,968	23,38,436
GST Payable	1,01,89,778	41,56,075
Bonus/ Ex-Gratia Payable	98,91,810	93,50,163
Lorry Freight Payable	2,51,82,918	2,29,76,893
Claim Payable	0	3,77,382
Other Expenses & Liabilities Payable	3,36,78,042	3,20,47,756
<b>Total</b>	<b>8,44,93,462</b>	<b>7,28,70,516</b>
<b>Note : 17 Current provisions</b>		
Provision for I. Tax (AY 2018-2019)	1,92,83,911	1,92,83,911
Provision for I. Tax (AY 2017-2018)	3,02,54,848	3,02,54,848
Provision for I. Tax (AY 2019-2020)	2,65,75,288	0
Provision for Gratuity	4,01,09,204	3,50,16,892
<b>Total</b>	<b>11,62,23,251</b>	<b>8,45,55,651</b>
<b>Note : 18 Revenue from Operations</b>		
Freight	339,63,68,997	381,77,79,864
Loading & Unloading	3,28,43,987	3,09,40,604
<b>Total</b>	<b>342,92,12,984</b>	<b>384,87,20,468</b>
<b>Note : 19 Other Income</b>		
Profit on sale of Fixed Assets	37,19,268	45,46,044
Discount on Finance	18,73,150	40,332
Insurance Claim	19,06,732	0
Interest received	15,37,915	4,42,737
Lorry Maintenance	9,36,261	0
Warehouse Income	38,17,365	43,73,439
<b>Total</b>	<b>1,37,90,691</b>	<b>94,02,552</b>
<b>Note : 20 Operating / Direct Cost/ Services Availed</b>		
Lorry Freight	293,21,00,453	335,42,70,852
Lorry Maintenance	0	33,31,415
Loading Expenses	2,66,66,748	3,09,63,833
Commission	1,34,62,042	98,84,294
Claims	1,25,36,334	35,86,080
<b>Total</b>	<b>298,47,65,578</b>	<b>340,20,36,473</b>

**For and on behalf of board of  
North Eastern Carrying Corporation Limited**

Sd/-  
**Sunil Kumar Jain**  
Managing Director  
DIN : 00010695

Sd/-  
**Utkarsh Jain**  
Director  
DIN : 05271884

Sd/-  
**Mamta Bisht**  
Company Secretary  
M. No. 30347

Sd/-  
**S. L. Yadav**  
CFO

**NORTH EASTERN CARRYING CORPORATION LIMITED**

Notes forming part of Balance Sheet and Profit & Loss Statement for the year ended 31st March, 2019

	<b>As On 31.03.2019 Amt.In (Rs.)</b>	<b>As On 31.03.2018 Amt.In (Rs.)</b>
<b>Note : 21 Employee Benefit Expenses</b>		
Establishment Expenses	11,93,88,921	11,56,33,516
PF/ESI	85,77,698	89,01,230
Gratuity	80,21,329	45,30,373
Recruitment & Training Expenses	0	5,09,060
Directors Remuneration	61,00,000	60,75,000
Staff Welfare	29,92,561	23,09,979
<b>Total</b>	14,50,80,509	13,79,59,157
<b>Note : 22 Financial Cost</b>		
Bank Interest	4,61,76,145	6,62,40,698
Finance Cost - Vehicles	45,04,742	51,81,540
<b>Total</b>	5,06,80,887	7,14,22,238
<b>Note : 23 Depreciation &amp; Amortised Cost</b>		
Depreciation	3,40,44,471	3,14,39,990
<b>Total</b>	3,40,44,471	3,14,39,990

**For and on behalf of board of  
North Eastern Carrying Corporation Limited**

Sd/-  
**Sunil Kumar Jain**  
Managing Director  
DIN : 00010695

Sd/-  
**Utkarsh Jain**  
Director  
DIN : 05271884

Sd/-  
**Mamta Bisht**  
Company Secretary  
M. No. 30347

Sd/-  
**S. L. Yadav**  
CFO

**NORTH EASTERN CARRYING CORPORATION LIMITED**

**Notes forming part of Balance Sheet and Profit & Loss Statement for the year ended 31st March, 2019**

	<b>As On 31.03.2019 Amt.In (Rs.)</b>	<b>As On 31.03.2018 Amt.In (Rs.)</b>
<b>Note : 24 Other Administrative Expenses</b>		
Advertisement & Publicity	7,30,828	77,96,167
Books & Periodicals	14,255	15,358
Bad Debts	2,21,600	0
Business Promotion	23,285	17,209
Bank Charges & Comm.	50,29,970	20,07,655
Car Expenses	27,87,993	25,26,051
Conveyance & Scooter Petrol	14,90,018	16,19,234
Corporate Social Responsibility Expenditure	4,01,960	9,91,842
Diwali Expenses	10,42,574	10,83,121
Donations	4,26,000	4,15,000
Electricity & Water Charges	61,75,488	61,03,666
Fees, Rates & Taxes	23,87,775	6,64,758
General Expenses	13,14,622	9,81,871
Generator Hire & Maintenance Charges	7,33,286	8,12,261
Insurance	44,73,964	21,37,889
Interest/Penalty on Late Deposit TDS	4,66,726	2,19,378
Investments written off	0	1,00,000
Interest on Late Deposit S. Tax/Additional Demand of S. Tax*	0	1,09,400
Interest on late deposit of GST	16,45,210	0
GST Late deposit Fees	20,73,854	0
GST	18,69,327	48,57,256
Internet Charges	8,76,539	13,59,569
Legal & Professional Expenses	1,01,35,558	67,10,117
Office Expenses	4,30,220	4,89,950
Packing & Forwarding Expenses	2,81,077	2,41,896
Penalty	17,824	87,007
Payment to Auditors	3,00,000	1,50,000
Postage & Courier	16,18,790	17,62,021
Printing & Stationary	43,93,077	33,71,322
Rent	7,97,85,081	7,53,21,901
Repair & Maintenance	71,00,881	98,33,007
Scooter Expenses	26,45,076	25,06,661
Security Guard Charges	15,42,898	16,39,556
Service tax Penalty	4,62,732	0
Scholarship	1,05,000	1,30,000
Subscriptions	1,70,560	32,57,072
Telephone Expenses	27,90,028	39,21,050
Travelling Expenses	98,50,750	93,13,187
Warehouse Charges	23,31,285	26,11,263
<b>Total</b>	<b>15,81,46,111</b>	<b>15,51,63,697</b>

\*Also includes the service tax paid by the company under reverse charge mechanism, Swachh Bharat Expense and Service tax Input

**For and on behalf of board of  
North Eastern Carrying Corporation Limited**

Sd/-  
**Sunil Kumar Jain**  
Managing Director  
DIN : 00010695

Sd/-  
**Utkarsh Jain**  
Director  
DIN : 05271884

Sd/-  
**Mamta Bisht**  
Company Secretary  
M. No. 30347

Sd/-  
**S. L. Yadav**  
CFO

**25. Related Party Disclosures**

Related party disclosures as required under Accounting Standard (AS) – 18 “Related Party Disclosures”

**a. Related parties and nature of related party relationships where control exists**

Name of the party	Description of relationship
Sunil Kumar Jain	Key Management Personnel
Utkarsh Jain	Key Management Personnel

**b. Related parties and nature of related party relationship with whom transactions have been taken place**

Shreyans Buildtech Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence
Shreyans Buildwell Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence
Sunil Kumar Jain	Key Managerial Personnel
Utkarsh Jain	Key Managerial Personnel
Reena Gupta	Director
Vanya Jain	Relatives of Key Managerial Personnel
Sunil Kumar Jain & Sons (HUF)	Others

**Transactions during the year with related parties**

(Amount in Rs.)

	Key Managerial Personnel/Director	Relatives of Key Managerial Personnel	Enterprises over which Key Managerial Personnel are able to exercise significant influence	Others
Rent Paid	73,20,000	9,60,000	12,64,640	8,64,000
Directors Remuneration	61,00,000	-	-	-
Loan Received	13,75,000	-	-	-
Personal/Corporate Guarantees obtained to the extent of loan taken by the Company	Yes	Yes	Yes	Yes

26. The Company has paid fixed monthly remuneration to the directors in accordance with the provisions of section 196, 197, 203 and other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Schedule V of the Companies Act 2013.

27. Contingent Liability not provided for:

- In Respect of Bank Guarantees issued by the bank on behalf of the company Rs 89,02,582/-
- For claims/shortage not ascertained nor settled during the year. Claims lodged by customers but not settled by the company Rs 11,25,174/-.
- Approximate Liability on account of major cases filed against the company in various courts aggregating to Rs 3,41,70,237/-
- Company is contesting Income Tax demand of Rs 2,12,030/- for AY 2013-2014 before ITAT and Rs 1,53,960/- for AY 2013-2014 before CIT (Appeals) for which company is contingently liable.

28. Sundry Debtors include freight receivable against GRs issued during the year.

29. Tax Deducted at Source (A.Y. 2019-2020) is not final as more TDS Certificates might be received by the company in future.

30. There is nothing to be disclosed under AS 17 – Segment Reporting since there is no business segment or geographical segment which is a reportable segment based on the definitions contained in the accounting standard.

31. Deferred Tax has been created as per AS-22 issued by Institute of Chartered Accountants of India.

Particulars	Deferred Tax Assets/(Liability) as at 01.04.2018	Deferred Tax Credit/(Charge) for the year	Deferred Tax Asset/(Liability) as at 31.03.19
On account of difference between book & tax dep.	(77,70,574)	(1,78,466)	(79,49,040)
On account of provision of gratuity	1,15,77,635	18,12,422	1,33,90,057
<b>Total</b>	<b>38,07,061</b>	<b>16,33,956</b>	<b>54,41,017</b>

32. The debit and credit balances standing in the name of parties are subject to confirmation from them.

33. The company has not received any intimation from “suppliers” regarding their status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.

34. In the opinion of the Board of Directors, the current assets, loans & advances are fully realizable at the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate in the opinion of board.

**35. Employee Benefits**

**A. Defined Contribution Plan**

The Company has contributed to Employee Provident Fund, under defined contribution plans. The provident fund is operated by the Regional Provident Fund Commissioner.

During the year the company has recognized the following amounts in the Statement of Profit & Loss:

	March 31, 2019 (In Rs)	March 31, 2018 (In Rs)
Employer's Contribution to Provident Fund	60,79,935	62,56,576

**B. Defined Benefit Plan**

The present value obligation in respect of gratuity is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The summarized positions of various defined benefits are as under:-

**1. Actuarial Assumptions**

	Gratuity (unfunded) March 31, 2019	Gratuity (unfunded) March 31, 2018
Discount Rate (per annum)	7.2%	7.5%
Salary Escalation	8.0%	8.0%
Attrition rate	15.0%	15.0%
Mortality Rates	100% of India Assured Lives 200-08 Mod Ult	100% of India Assured Lives 200-08 Mod Ult

**Note:**

Discount rate should be based on the yield to maturity on high quality corporate bonds having term similar to that of the liability.

2. Expenses recognized in statement of profit & loss

	<b>Gratuity (unfunded) March 31, 2019 in Rs</b>	<b>Gratuity (unfunded) March 31, 2018 in Rs</b>
Net defined benefit liability	4,01,09,204	3,50,16,892

3. Expenses recognized in statement of profit & loss

	<b>Gratuity (unfunded) March 31, 2019 in Rs</b>	<b>Gratuity (unfunded) March 31, 2018 in Rs</b>
Expense recognized in Profit & Loss	80,21,329	45,30,373

36. Being a service company quantitative information/clause are not applicable.

37. Payment to Auditors Amt. In Rs.  
Audit Fee Rs.3,00,000/- (Previous Year Rs.1,50,000/-)

38. Previous year figures have been regrouped/ reclassified wherever necessary.

Auditors Report  
As per our report of even date attached  
For **M/s Raj Achint & Associates**  
Chartered Accountants  
Firm No.: 022023N

**For and on behalf of Board of Directors of  
North Eastern Carrying Corporation Limited**

Sd/-  
**Raj Kumar Jain**  
Proprietor  
M.No. 087941

Sd/-  
**Sunil Kumar Jain**  
Managing Director  
DIN: 00010695

Sd/-  
**Utkarsh Jain**  
Director  
DIN: 05271884

Place Delhi  
Date: 30.05.2019

Sd/-  
**Mamta Bisht**  
Company Secretary  
M. No. 30347

Sd/-  
**S.L. Yadav**  
CFO