

# 48<sup>th</sup> Annual Report 2009 - 2010

Towards horizon next



**PATEL**  
INTEGRATED LOGISTICS LTD

## BOARD OF DIRECTORS



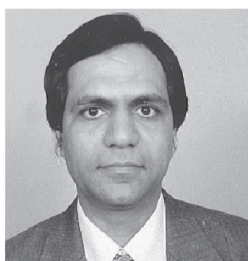
**Asgar S. Patel**  
Chairman



**Areef A. Patel**  
Executive Vice-Chairman



**P.S.G. Nair**  
Director



**Sandeep P. Parikh**  
Director



**Farukh S. Wadia**  
Director

#### BOARD OF DIRECTORS

Asgar S. Patel	Chairman
Areef A. Patel	Executive Vice-Chairman
P. S. G. Nair	Director
Sandeep P. Parikh	Director
Farukh S. Wadia	Director

#### CHIEF FINANCIAL OFFICER

Mahesh L. Ukidave

#### COMPANY SECRETARY

Nitin B Akolkar

#### AUDITORS

MSP & Co. Mumbai

#### LEGAL ADVISORS

Crawford Bayley & Co. Mumbai  
F. S. Broacha Mumbai

#### BANKERS

Andhra Bank  
Central Bank of India  
Bank of Bahrain & Kuwait B.S.C.  
Indian Bank

#### REGISTERED OFFICE

'Patel House', 5th Floor,  
Plot no. 48, Gazdarbandh,  
North Avenue Road,  
Santacruz (West),  
Mumbai – 400 054.

#### CORPORATE OFFICE

'Natasha', 52 Hill Road,  
Bandra (West), Mumbai – 400 050.

#### SHARE TRANSFER AGENTS

Computronics Financial Services (India) Limited  
No. 1, Mittal Chambers, Nariman Point,  
Mumbai – 400 021.

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### 48th Annual General Meeting

Tuesday, the 28th day of September, 2010, at 11.00 a.m. at the Sheila Raheja Hall,  
Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.

**Members are requested to bring their copy of the Annual Report to the Annual General Meeting.**



## 48th ANNUAL REPORT 2009-2010

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### NOTICE

NOTICE is hereby given that the 48th Annual General Meeting of the members of PATEL INTEGRATED LOGISTICS LIMITED will be held at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049, on Tuesday the 28th day of September 2010 at 11.00 a.m., to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet and the Profit and Loss Account as at and for the year ended 31st March 2010 and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Farukh Wadia, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

#### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification(s), following resolution as a Special Resolution:

"RESOLVED that pursuant to clause 23(a) of the Listing Agreement and subject to the compliance of regulations, rules, guidelines, if any, in this behalf issued / prescribed by the Securities & Exchange Board of India (SEBI), the Stock Exchange or any other authority, approval is hereby given to the sale, re-allotment or otherwise disposal of the equity shares of the Company, forfeited because of non-payment of allotment money due on such shares, to the existing share holders and / or original holders thereof and / or to any other person(s) including any person(s) from the promoter group, upon such terms, including the price, and in such manner as the Board of Directors (the Board) shall deem fit ;

FURTHER RESOLVED that the Directors be and are hereby severally authorized to execute instrument of transfer (s) of the shares sold / re-allotted and cause the purchaser's name to be entered in the Register of Members in respect of shares sold;

FURTHER RESOLVED that upon any sale, re-allotment or other disposal of the forfeited shares, the certificates originally issued in respect of the forfeited shares, shall stand cancelled and become null and void and of no effect and the Directors are jointly and severally authorized to issue new certificates in respect of shares sold / re-allotted to the person or persons entitled thereto either in physical or dematerialized form ;

FURTHER RESOLVED that the Board be and is hereby authorized to decide the price for the sale / re-allotment of forfeited shares subject to the guidelines prescribed by the Stock Exchange in this regard and also to decide the date for sale / re-allotment of the forfeited shares."

#### Registered Office:

Patel House, 5th Floor, Plot No.48,  
Gazdarbandh, North Avenue Road,  
Santacruz (West), Mumbai-400 054.

Mumbai, 25th August 2010

By order of the Board,

**(Nitin B. Akolkar)**

Company Secretary

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September 2010 to 28th September 2010 (both days inclusive).
3. In order to be effective, proxies must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
4. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividends, if declared, for the financial years 1995-96 to 2001-02 to the Investor Education and Protection Fund (the Fund) established by the Central Government.

In accordance with the provisions of the said Section, no claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed for a period of seven years from the dates they became first due for payment and no payment shall be made in respect of any such claims.

5. Members are requested to send their Bank Account details on or before 24th September 2010 to the Share Transfer Agents of the Company at 'Computronics Financial Services (India) Ltd., No. 1, Mittal Chambers, Nariman Point, Mumbai – 400 021.' This is to avoid the fraudulent encashment of dividend warrants.
6. The Company provides National Electronic Clearing Service (NECS) facility for the payment of dividend. Accordingly, shareholders holding equity shares in physical form are requested to send on or before 24th September 2010, National Electronic Clearing Service (NECS) mandates, to the Share Transfer Agents of the Company i.e. 'Computronics Financial Services (India) Ltd., at No. 1 Mittal Chambers, Nariman Point, Mumbai – 400 021'. The NECS mandates are to be sent in the prescribed form which is a part of this report.

Shareholders holding equity shares in the dematerialized form shall intimate to their respective Depository Participants on or before 24th September 2010, about the NECS mandates, if any, in the prescribed form which is a part of this Annual Report.

7. Dividend, as recommended by the Board of Directors, will be paid to shareholders in the manner given below:
  - a) To all the shareholders who have opted for NECS Mandates, by way of direct credit to their respective Bank Accounts.
  - b) To shareholders who have not opted for NECS Mandates:
    - i) If the dividend amount is in excess of Rs. 10,000/-, by way of Pay Orders / Demand Drafts; and
    - ii) If the dividend amount is not in excess of Rs. 10,000/- , by way of Dividend Warrants.



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### INFORMATION ABOUT DIRECTORS PROPOSED TO BE REAPPOINTED

NAME	Mr. Farukh S. Wadia		
AGE	45 years		
QUALIFICATIONS	B. Com.		
EXPERTISE	Mr. Farukh Wadia is a businessman having experience in the fields of automobile dealership, finance and couriers.		
PARTICULARS OF APPOINTMENT / RE-APPOINTMENT.	Mr. Farukh Wadia is a Director of the Company since 6th May, 1998. Mr. Wadia retires by rotation at the ensuing Annual General Meeting. It is proposed to re-appoint Mr. Wadia as the Director of the Company.		
OTHER DIRECTORSHIPS AS ON 31ST MARCH, 2010.	Nil		
*CHAIRMANSHIP(S) / MEMBERSHIP(S) OF COMMITTEES AS ON 31ST MARCH 2010	<b><u>Name of the Company</u></b>	<b><u>Type of the Committee</u></b>	<b><u>Position Held</u></b>
	Patel Integrated Logistics Ltd	Audit Committee	Member
	Patel Integrated Logistics Ltd	Remuneration and Compensation Committee	Member
	Patel Integrated Logistics Ltd	Shareholders' Grievance Committee	Member

\*Chairmanship(s) / membership(s) of Committees as conceived under clause 49 of the Listing Agreement are only mentioned.

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Patel House, 5th Floor, Plot No.48,  
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Santacruz (West), Mumbai-400 054.

Mumbai, 25th August 2010

By order of the Board,

**(Nitin B. Akolkar)**

Company Secretary

## ANNEXURE TO THE NOTICE

(Explanatory Statement as required by Section 173 of the Companies Act, 1956)

### ITEM NO.5

The Board of Directors vide resolution passed at their meeting held on 27th September, 2005 forfeited equity shares of the Company on which allotment / call money was unpaid. Articles 42 to 52 of the Articles of Association of the Company deal with the provisions regarding forfeiture of shares and sale / re-allotment of such forfeited shares.

The forfeited shares belonged to the category of Indian Public and were held in physical form. Since the allotment of these shares on 21st March, 1994, several notices were sent to the defaulting shareholders until their forfeiture as mentioned above.

As on the date of this notice, 1,07,200 equity shares stand forfeited. The amount of share capital unpaid on the forfeited equity shares stands at Rs. 6,24,500/-.

Clause 23(a) of the standard Listing Agreement prescribes that the Company shall issue or offer, in the first instance, all shares (including forfeited shares) pro-rata to the equity shareholders of the Company unless the shareholders in the general meeting decide otherwise.

Accordingly, approval of shareholders is sought to enable the Board of Directors to sale / re-allot the forfeited shares to any of the persons as mentioned in the resolution on the terms and in the manner which the Board deems in the interest of the Company.

The shareholders had granted their approval to the Resolution at item no. 6 of the Notice of the Annual General Meeting held on 27th September, 2007. However as sufficient time has elapsed since the earlier approval of shareholders, and the forfeited shares have not been re-issued, the Board of Directors deemed it necessary to approach the shareholders again for seeking their approval in this matter.

None of the Directors are concerned or interested in passing of this resolution except to the extent of the shares which may be allotted / sold to them or to their relatives or to companies in which they are directors or members.

#### Registered Office:

Patel House, 5th Floor, Plot No.48,  
Gazdarbandh, North Avenue Road,  
Santacruz (West), Mumbai-400 054.

Mumbai, 25th August 2010

By order of the Board,

**(Nitin B. Akolkar)**

Company Secretary





## 48th ANNUAL REPORT 2009-2010

### DIRECTORS' REPORT

To,  
The Members of  
Patel Integrated Logistics Limited.

The Directors have pleasure in presenting their 48th Annual Report and the Audited Statement of Accounts for the year ended 31st March 2010.

#### FINANCIAL RESULTS:

The financial results are as under:

	(Rs. in lakhs)	
	Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
Profit before Interest, Depreciation & Tax	1565.12	1384.69
Less : Interest	575.81	478.60
Profit before Depreciation	989.31	906.09
Less : Depreciation	372.11	378.79
Profit before tax	617.20	527.30
Less : Provision for tax	163.00	130.50
Less : Deferred Tax	(4.03)	67.83
Less : Fringe Benefit Tax	—	38.57
Less : (Excess)/Short Provision of Income Tax for earlier years	2.00	0.01
Profit after tax	456.23	290.39
Add : Balance of Profit from previous year	894.76	1299.39
<b>TOTAL ...</b>	<b>1350.99</b>	<b>1589.78</b>
<b>APPROPRIATIONS:</b>		
Equity Dividend	150.79	150.79
Tax on Dividend	25.05	25.63
Transfer to General Reserve	—	500.00
Transfer to Capital Redemption Reserve	—	18.60
Balance carried to Balance Sheet	1175.15	894.76
<b>TOTAL ...</b>	<b>1350.99</b>	<b>1589.78</b>

#### PERFORMANCE REVIEW:

Your Company is a 'Total Logistics Solutions Provider' with products like Conventional Road Transport, Co-Loading of Air Freight and Consolidation of Cargo, both Domestic and International, Logistics and Retail Cargo movement, under its belt.

Total income earned by the Company during the year under consideration stood at Rs.35067.85 Lacs. The Profit Before Tax is Rs. 617.20 lacs and Profit After Tax is Rs. 456.23 lacs.

The Net Worth of your Company is Rs. 8554.79 lacs while the fixed assets base is Rs.4378.63 lacs. The Earning Per Share is Rs.3.03



The drop in the turnover in the business of Co Loading of Air Freight in comparison with year ended March 2009 is due to reduction in the Airline rates, although the business levels continues to be the same. The performance of conventional Road Transport business is steady as compared to the last year. With some concentrated efforts by us, we are expecting this business to grow in the current year especially in the express surface transport business.

We are also concerned about reducing our operational cost and will ensure that receivables are within the stipulated norms. With the positive turn around in the Indian economy, your Company is expected to post better results in the coming year .

#### **DIVIDEND:**

For the year under consideration, the Board of Directors have recommended a dividend of Re. 1/- per share on the equity share capital of the Company.

#### **FUTURE PLANS AND OUTLOOK:**

Your Company plans to increase its market share in Express Cargo segment and all the plans and strategies has been drawn to increase the business of Patel Retail in the financial year 2010-11.

We are upgrading our Hubs with state of art facilities such as mechanized operations in the Hubs & mechanized stacking systems. We also have plan to expand our fleet to cater to retail business as the quality and speed would be better with our own fleet as compared to vendors or market vehicles. All the fleet vehicles are fitted with vehicle tracking system for instant tracking and control over our vehicles. We have already started up- gradation of our major Hubs in Delhi, Bhiwandi and Bangalore. We would also starting our marketing campaign to begin with radio jingles and television advertisements to create awareness and increase Top of Mind Recall and set the stage for re-launch of Retail in a big way. We are having training programmes to train our loading & un-loading staff to have better and qualitative operations to reduce damages of the material.

The outlook of the cargo consolidation industry is bright as it depends on the economy which is growing steadily. With increasing trend in the freight traffic in last couple of years, logistics industry will keep pace with the growth of the domestic and international trade. Major factors which will determine the growth of the logistic sector will be public-private participation, technology deployment, investments in infrastructure and integration of logistic services which the Company is striving very hard to accomplish and has definitive set plans so as to meet our goals

#### **SUBSIDIARY:**

As on date of this report the Company does not have any Subsidiary Company.

#### **PREFERENTIAL ISSUE OF EQUITY SHARES AND EQUITY WARRANTS:**

During the year 2007-2008, the Company had raised the funds by way of Preferential Allotment of 18,00,000 fresh Equity Shares of Rs.10/- each at a premium of Rs.64/- per Equity Share aggregating Rs.13,32,00,000/- and 8,00,000 Equity Warrants of Rs.10/- each at a premium of Rs.64/- per Equity Warrant in respect of which the Company has received Rs.59,20,000/- as consideration on the date of allotment of such warrants.

Out of the total proceeds of Rs.13,91,20,000/- raised through the Preferential Allotment, Rs.5,26,63,947/- has been utilised towards purchase of Fixed Assets, Rs.8,09,36,053/- has been utilised towards working capital and other corporate initiatives as on date of this report and balance Rs.55,20,000/- is kept with Banks as Fixed Deposits.

The holders of Equity Warrants had an option to apply for and obtain one Equity Share for each Equity Warrant allotted to them. The option was exercisable within a period of 18 months from the date of allotment of Equity Warrants i.e. upto 14th August 2009. The holders of the Equity Warrants had not exercised the option granted to them. Consequently, as mentioned in the terms of issue of the said Equity Warrants and as per the provisions of SEBI (DIP) Guidelines for Preferential Allotment the Board of Directors, at their meeting held on 22nd August 2009, forfeited the initial consideration of Rs.59,20,000/- paid in respect of such warrants and consequently, the amount has been transferred to Capital Reserve Account.



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### FIXED DEPOSITS:

Fixed Deposits accepted by the Company stood at Rs.666.56 lacs as on 31st March 2010. There were no unpaid or overdue deposits as on 31st March 2010, except unclaimed Deposits aggregating Rs.21.88 lacs. There has been no amount of deposits required to be transferred to the Investor Education and Protection Fund during the year under consideration. However in the current year i.e. 2010-2011, unclaimed matured fixed deposit with interest accrued thereon aggregating to Rs.5,579/- and matured on 3rd June 2003 were transferred to the Investor Education and Protection Fund on 29th June 2010.

### DIRECTORS :

Mr. Farukh S. Wadia, Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment as the Director.

### AUDITORS:

M.S.P. & Company retire as the Auditors of the Company at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

### AUDITORS' REPORT:

Your Directors refer to observations made by the Auditors in their Report and wish to state that the related notes forming part of the Accounts are provide sufficient explanations and hence no further comments are required on the observations of Auditors.

### CORPORATE GOVERNANCE :

To comply with conditions of Corporate Governance, pursuant to clause 49 of the Listing Agreements with the Stock Exchanges, a Management Discussion and Analysis Report, Corporate Governance Report and Auditors' Certificate on the compliance of conditions of Corporate Governance, are included in this Annual Report.

### PARTICULARS REQUIRED TO BE FURNISHED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

#### PART A – CONSERVATION OF ENERGY:

The Company continues its in-house programme of enlightening and educating its commercial vehicle drivers for greater fuel efficiencies. All the vehicles owned by the Company undergo an intensive Planned Preventive Maintenance (PPM) drill to keep the vehicles in top running condition with special emphasis on fuel conservation.

#### PART B – TECHNOLOGY ABSORPTION : Not Applicable

#### PART C - FOREIGN EXCHANGE EARNINGS AND OUTGO :

	(Rs. in lakhs) Year ended 31st March, 2010	(Rs. in lakhs) Year ended 31st March, 2009
<b>Earnings in Foreign Exchange</b>		
Air Freight Billing and other expenses (Net)	3.66	24.87
<b>TOTAL</b>	3.66	24.87
<b>Expenditure in Foreign Currency</b>		
Freight Charges	4.27	10.57
Travelling	5.33	18.99
Others	–	1.10
<b>TOTAL</b>	9.60	30.66

#### **PERSONNEL & HUMAN RESOURCES :**

The Directors sincerely appreciate efforts put in by employees of the Company at all levels and thank them for their contribution in achieving the overall results during the year.

In terms of the provisions of section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the name and other particulars of the employees are set out in the annexure to the Directors' Report. Having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March 2010 are in full conformity with the requirement of the Companies Act, 1956. The Financial Results are audited by the Statutory Auditors M/s MSP & Co.

The Directors further confirm that:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- 2) the accounting policies are consistently applied and reasonable, prudent judgement and estimates are made 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 profits of the Company for that period;
- 3) the Directors have taken proper and sufficient care 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;
- 4) the Annual Accounts have been prepared on a going concern basis.

#### **ACKNOWLEDGEMENTS:**

The Directors place on record their appreciation of the continued assistance and support received from the Bankers, Clients, Stakeholders and Fixed Deposit Holders.

#### **Registered Office :**

Patel House, 5th Floor, Plot No. 48,  
Gazdarbandh, North Avenue Road,  
Santacruz (West), Mumbai – 400 054.

For and on behalf of the Board of Directors,

**A. A. PATEL** - Executive Vice-Chairman

**P. S. G. NAIR** - Director

Mumbai, Dated 25th August 2010



## 48th ANNUAL REPORT 2009-2010

### REPORT ON THE CORPORATE GOVERNANCE [Pursuant to clause 49(VII) of the Listing Agreement]

#### A) Company's Philosophy on the Corporate Governance

The Company strongly believes in values of transparency, professionalism and accountability which are the mainstay of good Corporate Governance. The Company has consistently practiced good Corporate Governance and will endeavor to improve on it on an ongoing basis.

We strive to achieve the corporate objectives within the framework of the national interest, macro and micro economic policies devised by the Government of India and to conduct the business affairs of the Company in an ethical and transparent manner, also strive for the maximization of the shareholders' wealth and in doing so contribute positively to the economic development of India and achievement of the overall objectives of the Company.

#### B) The Board of Directors

The Board of Directors has judicious mix of Executive and Non-Executive Directors as on 31st March, 2010 comprised of a Non-Executive Chairman, a Whole-time Director designated as Executive Vice-Chairman and three Non-Executive Directors. All three Non-Executive Directors are Independent Directors.

During the financial year ended 31st March 2010, Six Board Meetings were held. Dates on which Board Meetings were held are 29-04-2009, 30-07-2009, 22-08-2009, 29-09-2009, 29-10-2009 and 29-01-2010.

Composition of the Board of Directors as at 31st March 2010, their attendance at Board Meetings during the year ended on that date and at the last Annual General Meeting as also number of other directorships and chairmanships / memberships of committees held by them, as on that date are as given below:

Sr. no.	Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance At the last A.G.M.	No. of other Directorships (incl. Pvt. Ltd. Companies)	Committee Membership	
						Chairman	Member
1.	Mr.Asgar S.Patel	NEC	Nil	No	2	-	-
2.	Mr.Areef A.Patel	WTD	6	Yes	2	-	1
3.	Mr.P.S.G.Nair	NEID	6	Yes	2	5	-
4.	Mr. Sandeep P. Parikh	NEID	5	No	14	Nil	4
5.	Mr.Farukh S.Wadia	NEID	6	Yes	Nil	Nil	3

NEC – Non Executive Chairman

WTD - Whole-time Director (designated as Executive Vice-Chairman)

NEID – Non Executive Independent Director

#### C) Audit Committee

##### 1) Term of Reference

The scope of the work of the Audit Committee include areas prescribed by clause 49-II(D) of the Listing Agreement and Section 292A of the Companies Act, 1956. The Terms of Reference of the Audit Committee broadly include the following:

- Overseeing the financial reporting process and disclosure of financial information to ensure correctness and credibility of financial statements;
- Reviewing the quarterly and annual financial statements before submission to the Board of Directors;

- c) Discussing with the external auditors the nature and scope of audit before the commencement of the audit and having a post audit review to ascertain areas of concern, if any;
- d) Reviewing the performance of Statutory and Internal Auditors, Internal Audit function and the adequacy of Internal Control Systems;
- e) Discussing with Internal Auditor about significant findings, if any, and the follow up action on the same;
- f) Recommending the appointment/removal of external auditors and fixing of their remuneration;
- g) Investigating into matters specifically referred by the Board of Directors;
- h) Reviewing the annual financial statements with special reference to matters required to be included in the Directors' Responsibility Statement, changes in accounting policies if any, with reasons therefor, major accounting entries involving estimates based on exercise of judgement by management, significant adjustments made in the financial statements arising out of audit findings, compliance with listing and other legal requirements relating to financial statements, disclosure of any related party transactions and qualifications in the audit report;
- i) To look into reasons for substantial defaults in payment to fixed deposit holders, shareholders and creditors

## 2) Composition

The Audit Committee comprises of 4 Directors as on 31st March 2010 i.e. Mr. P. S. G. Nair, Mr. Areef A. Patel, Mr. Farukh S. Wadia and Mr. Sandeep P. Parikh. Mr. P. S. G. Nair is the Chairman of the Committee. The Audit Committee met 5 times during the year ended 31st March, 2010. Dates on which Audit Committee Meetings were held are 29-04-2009, 30-07-2009, 22-08-2009, 29-10-2009 and 29-01-2010. Attendance of the members of the Committee at the Audit Committee Meetings held during the financial year ended 31 March, 2010, was as follows:

Sr. No.	Name of the Member	Status	No. of Meetings attended
1.	Mr.P.S.G.Nair	Chairman	5
2.	Mr. Areef A. Patel	Member	5
3.	Mr.Farukh S.Wadia	Member	5
4.	Mr. Sandeep P. Parikh	Member	5

## D) Shareholders' Grievance Committee

### 1) Terms of Reference

To oversee the redressal of the shareholders'/investors' complaints like the transfer of shares, non-receipt of balance sheet, non-receipt of the declared dividend etc.

### 2) Composition

The Shareholders' Grievance Committee comprises of two Non-Executive Directors i.e. Mr.P.S.G.Nair and Mr. Farukh S. Wadia. Mr.P.S.G.Nair is the Chairman of the Committee. The Shareholders' Grievance Committee met twice during the financial year ended 31st March 2010. Dates on which Shareholders' Grievance Committee Meetings were held are 29-04-2009 and 30-10-2009. Attendance of the members of the Committee at the Shareholders' Grievance Committee Meetings was as follows:

Sr. No.	Name of the Member	Status	No. of Meetings attended
1.	Mr.P.S.G.Nair	Chairman	2
2.	Mr.Farukh S.Wadia	Member	2

During the year 2009-2010, 9 (Nine) complaints were received from shareholders/investors. All these complaints have been replied to the satisfaction of the complainants.



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All valid transfers received during the year 2009-2010 have been acted upon by the Company. Transfers pending as at 31st March, 2010 have since been given effect to.

### E) Remuneration and Compensation Committee

#### 1) Terms of Reference

To review, assess and recommend appointment of the Executive Director(s)/Manager under the Companies Act, 1956 (The Manager) from time to time, to periodically review remuneration package of Executive and Non-Executive Directors/Manager and to recommend suitable revision of remuneration and compensation payable to Non-Executive Directors in accordance with provisions of the Companies Act, 1956, devising a suitable Employees Stock Option Scheme (ESOS) for the Employees, Officers and Directors of the Company, within the framework of ESOS Guidelines and for such purpose formulating detailed terms and conditions of the ESOS.

#### 2) Composition

The Remuneration and Compensation Committee, as on 31st March 2010, comprised of 3 Non-Executive Directors i.e. Mr.P.S.G.Nair, Mr. Sandeep P. Parikh, and Mr.Farukh S.Wadia. Mr.P.S.G.Nair is the Chairman of the Committee. The Remuneration and Compensation Committee did not have an occasion to meet during the financial year 2009-2010.

#### 3) Details of the Remuneration paid during the year ended 31st March, 2010 to the Managerial Personnel and Directors:

Details of remuneration paid to Managerial Personnel during the year ended 31st March, 2010 are given in Notes to Accounts. The Company has not paid any remuneration to Non-Executive Directors during the year ended 31st March, 2010, except sitting fees for attending meetings of the Board of Directors and Committees thereof. The details of the equity shares of the Company held by Directors as on 31st March, 2010 are given below:

Sr. No.	Name of the Director	No. of Shares held
1.	Mr. Asgar S. Patel	8,64,140
2.	Mr. Areef A. Patel	68,115
3.	Mr. Sandeep P. Parikh	100

F) The transfer of shares of the Company are processed by Share Transfer Agents i.e. Computronics Financial Services (India) Limited and are approved by the Share Transfer Committee. The Share Transfer Committee met 28 times during the year ended 31st March, 2010 and approved transfer of shares of the Company.

### G) General Body Meetings

Details of last three Annual General Meetings of the Company are given below:

YEAR	DATE	TIME	VENUE	No. of Special Resolutions passed
2009	29.09.2009	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	2
2008	30.09.2008	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	–
2007	27.09.2007	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	1

No Special Resolutions were put through the postal ballot last year. No Special Resolutions on matters required to be put through the postal ballot are placed for Shareholders' approval at this meeting.

**H) Disclosures**

- 1) During the year ended 31st March, 2010, there were no transactions of material nature entered into by the Company with Promoters, Directors, their relatives or the Management etc. that has potential conflict with the interest of the Company.
- 2) There were no instances of non-compliances nor were any penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- 3) In terms of the requirements of Clause 49 (v) of the Listing Agreement, Mr. Areef Patel the Executive Vice-Chairman and Mr. Mahesh Ukidave Chief Financial Officer have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause.

**I) Means of Communication**

- 1) Quarterly Results of the Company are published in news papers and also displayed on the web-site of the Company i.e. [www.pill-india.com](http://www.pill-india.com). The quarterly results are also posted on the web site developed by Securities & Exchange Board of India (SEBI) known as EDIFAR (Electronic Data Information Filing And Retrieval). The official updates are sent to the Stock Exchanges. The Annual Report of the Company is also available on the Company's website in a user-friendly and downloadable form.
- 2) Management Discussion and Analysis forms part of this Annual Report.

**J) Subsidiary**

During the year ended 31st March, 2010, Springfield Hotels Pvt. Ltd. (SHPL) has ceased to be a wholly owned subsidiary of the Company, as the Hon'ble High Court of Judicature at Bombay, vide its order dated 10th July 2009 has approved the Scheme of Amalgamation of SHPL with the Company. According to the scheme, SHPL stands dissolved without being wound up from the Effective Date i.e. from 20th August 2009.

**K) Code of conduct**

The Board of Directors have adopted the Code of Conduct for Directors and Senior Management of the Company (the Code). The Code has been communicated to the Directors and members of the Senior Management, as defined in the said Code. The Code has also been posted on the Company's web-site i.e. [www.pill-india.com](http://www.pill-india.com).

**L) General Shareholder Information**

- 1) The Annual General Meeting of the Company for the year ended 2010 will be held on Tuesday, the 28th day of September, 2010, at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (West), Mumbai – 400 049, at 11.00 a.m.
- 2) The Financial Year of the Company comprises of a twelve month period which commences on 1st April of every year and ends on 31st March of the immediately succeeding year. The Financial Year under consideration commenced on 1st April, 2009 and ended on 31st March, 2010.





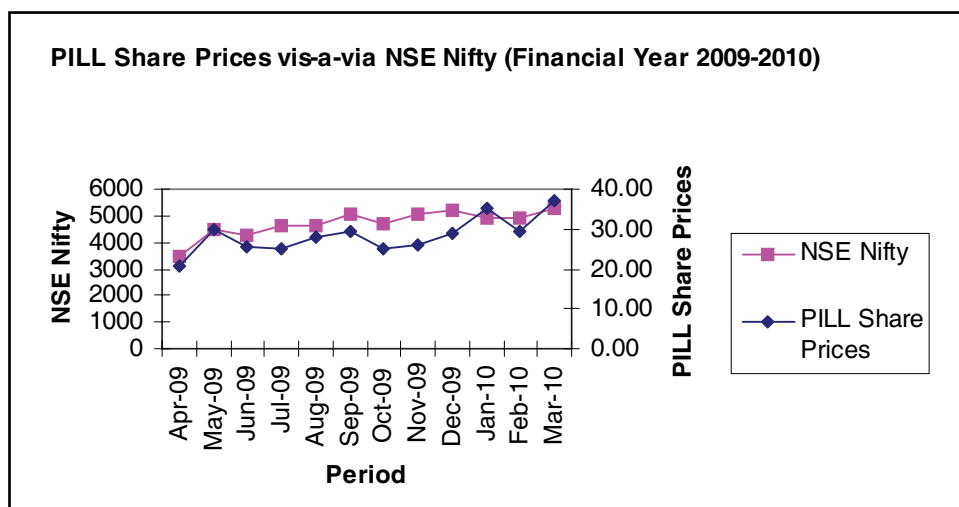
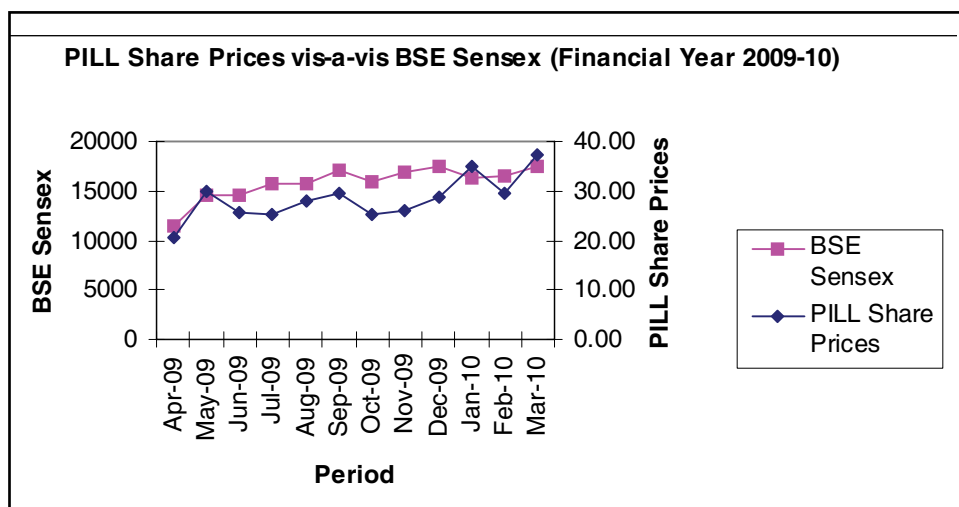
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### The Financial Calendar

Board Meeting for consideration of Annual Accounts.	25th August 2010.
Mailing of Annual Reports.	By First Week of September 2010.
Book Closure Dates.	21.09.2010 to 28.09.2010 (both days inclusive).
Day, Date, Time and Venue of the Annual General Meeting.	Tuesday, 28th September 2010 at 11.00 a.m. at The Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.
Board Meetings for the consideration of Unaudited Financial Results for the next three quarters of the current accounting year.	Within forty five days from the end of each quarter as stipulated under the Listing Agreement with stock exchanges.

- 3) The Book Closure will be from 21st September 2010 to 28th September 2010. (both days inclusive).
- 4) Dividend for the year ended 31st March, 2010, if declared at the Annual General Meeting will be paid within a period of 30 days, to the shareholders whose names appear on the Register of Members as at the date of the Annual General Meeting.
- 5) Equity Shares of the Company are listed on Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Ahmedabad Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Madras Stock Exchange Limited and The Calcutta Stock Exchange Association Limited.
- 6) a) Scrip Code on the Bombay Stock Exchange Limited : 526381.  
b) Scrip ID on the National Stock Exchange of India Limited : PATINTLOG-EQ.
- 7) ISIN (Security Code no. granted by Depositories) : INE529D01014
- 8) The monthly high and low quotations of shares traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited are as follows:

MONTH	BOMBAY STOCK EXCHANGE LTD. (BSE) (In Rs. Per share)		NATIONAL STOCK EXCHANGE OF INDIA LTD. (NSE) (In Rs. Per share)	
	Monthly High	Monthly Low	Monthly High	Monthly Low
April 2009	26.30	16.30	25.90	16.00
May 2009	35.95	19.05	35.00	19.05
June 2009	32.05	23.80	33.65	23.75
July 2009	27.80	21.00	26.95	20.05
August 2009	29.00	22.50	30.50	21.20
September 2009	31.90	26.30	34.75	26.00
October 2009	31.15	23.55	31.60	24.25
November 2009	29.70	24.00	29.85	24.05
December 2009	29.70	25.95	32.75	25.15
January 2010	47.00	30.00	48.00	30.00
February 2010	38.45	27.75	38.50	27.20
March 2010	37.25	30.00	37.85	29.30



#### 9) Registrars and Share Transfer Agents (STA)

Share Transfer work of the Company is being looked after by Computronics Financial Services (India) Ltd. (STA) having office at No. 1 Mittal Chambers, Nariman Point, Mumbai – 400 021. The STA have the necessary infrastructure to carry out share transfer work for shares in physical as well as in dematerialized form including the necessary connectivity with depositories. The STA also accepts and deals with investors' complaints.

#### 10) Share Transfer System

Company's shares are traded on the Stock Exchange compulsorily in the dematerialized form. Shares in physical form which are lodged with the STA for transfer are processed and the share certificates are returned to concerned person after transfer, subject to the documents being valid and complete in all respect.



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### 11) Distribution of Shareholding as on 31st March 2010.

NO.OF SHARES	NO.OF SHARE HOLDERS	% OF SHARE HOLDERS	SHARE HOLDING	% OF SHARES HELD
Up to 500	14,248	90.16	20,57,488	13.64
501-1000	755	4.78	6,17,189	4.09
1001-2000	363	2.30	5,46,137	3.62
2001-3000	114	0.72	2,94,655	1.95
3001-4000	61	0.39	2,21,158	1.47
4001-5000	54	0.34	2,56,635	1.70
5001-10000	94	0.59	7,03,768	4.67
10001 and above	114	0.72	1,03,82,382	68.86
TOTAL	15,803	100.00	1,50,79,412	100.00

### 12) Shareholding Pattern of the Company as on 31st March, 2010.

CATEGORY	NO.OF SHARES HELD	% SHARE HOLDING
Promoters' Holding (including Indian and NRI Promoters and Group Companies)	58,74,571	38.96
Mutual Funds	11,005	0.07
Foreign Institutional Investors	34,588	0.23
Private Corporate Bodies (other than Group Companies)	31,60,320	20.96
Indian Public	55,60,052	36.87
Non-Resident Indians (other than Promoters)	3,93,157	2.61
Others-Clearing Members/ Market Maker	45,719	0.30
TOTAL	1,50,79,412	100.00

### 13) Constituents of House of Patels (Promoters and Promoter's group):

(a) Mr. Asgar S. Patel (b) Mrs. Yasmin A. Patel (c) Mr. Areef A. Patel (d) Mrs. Natasha R. Pillai (e) A.S.Patel Trust (f) Patel Holdings Limited (g) Wall Street Securities & Investments (India) Ltd (h) Natasha Constructions Private Limited (i) Patel Real Estate Developers Pvt. Ltd (j) Natasha Homes Pvt. Ltd (k) Wall Street Properties Pvt. Ltd (l) Transways Combines Pvt. Ltd. (m) Wall Street Derivatives and Financial Services (India) Ltd (n) Goldman (Patel Family) beneficiaries Trust.

The above constituents of House of Patels are the Promoters and Promoter's group and fall in the definition of the word "group" as mentioned in regulation 3(1)(e)(i) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and defined in section 2(e) of the Monopolies and Restrictive Trade Practices Act, 1969.

### 14) Details of Dematerialisation of shares

As on 31st March, 2010, 91.35% of the Company's total Shares representing 1,37,75,560 Equity Shares were held in dematerialized form and balance 8.65% representing 13,03,852 Equity Shares were held in physical (paper) form.

### 15) Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company has not issued any GDRs/ ADRs/ warrants or any convertible instruments.

#### 16) Information for Communication.

a) **Registered Office:**

"Patel House", 5th Floor, Plot No. 48,  
Gazdarbandh, North Avenue Road,  
Santacruz (West), Mumbai – 400 054.  
Tel : (022) 2605 0021  
Fax : (022) 2605 2554  
Email : pill\_investorservices@patel-india.com

b) **Registrars & Share Transfer Agents:**

Computronics Financial Services (India) Limited  
No. 1, Mittal Chambers, Nariman Point,  
Mumbai – 400 021.  
Tel : (022) 2288 2960  
Fax : (022) 2287 3314

c) **Depositories:**

National Securities Depository Limited  
Trade World, A wing, 4th & 5th Floors,  
Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel,  
Mumbai – 400 013.  
Tel : (022) 2499 4200 (60 lines)  
Fax : (022) 2497 2993 / 2497 6351  
E-mail : info@nsdl.co.in  
Website : www.nsdl.co.in

Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers,  
16th Floor, Dalal Street,  
Mumbai – 400 001.  
Tel : (022) 2272 3333  
Fax : (022) 2272 3199 / 2272 2072  
E-mail : investors@cdslindia.com  
Website : www.cdslindia.com

Shareholders' correspondence should be addressed to the Registrars & Share Transfer Agents of the Company. Shareholders holding shares in the dematerialized form shall address their correspondence to their respective Depository Participants (DP).

17) The Company has adopted following non-mandatory requirements of the Corporate Governance recommended under the clause 49 of the Listing Agreement:

- i) A Chairman's Office (CHO) with required facilities is provided and maintained at the Company's expense for the use of the Non-Executive Chairman of the Company.
- ii) A Remuneration and Compensation Committee comprising of 3 Non-Executive Directors of the Company is formed for reviewing and deciding appointment(s) of and remuneration payable to Executive/Non-Executive Directors and/or the Manager (if any), under the Companies Act, 1956 as and when required.

#### **Declaration as required under Clause 49(D) of the Listing Agreement**

All Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2010.

Mumbai, 25th August 2010

**Areef A. Patel**  
Executive Vice Chairman



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### AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE TO THE MEMBERS OF PATEL INTEGRATED LOGISTICS LIMITED

We have examined the compliance of corporate governance by Patel Integrated Logistics Limited for the year ended 31st March, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the Listing Agreement.

On the basis of our verification of the records maintained by the Company and presented to the Investor's Grievance Committee, we have to state that no investor grievances were remaining unattended / pending for more than thirty days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency / effectiveness with which the management has conducted the affairs of the Company.

**For MSP & Co**

Chartered Accountants

**M.S. Parikh**

(Partner)

Membership No. 08684

Mumbai,

Dated : 25th August 2010

## MANAGEMENT DISCUSSION & ANALYSIS REPORT (Within the limits set by the Company's competitive position)

### Economic Scenario

The fiscal year 2009-10 began as a difficult one. There was a significant slowdown in the growth rate in the second half of 2008-09, following the financial crisis that began in the industrialized nations and spread to the real economy across the world. Yet, over the span of the year, the Indian economy posted a remarkable recovery, not only in terms of overall growth figures but, more importantly, in terms of certain fundamentals, which justify optimism for the Indian economy in the medium to long term.

For the fiscal year 2009-10 India's economy grew by 7.4 percent growth rate of GDP which is an upward revision from earlier estimates of 7.2 percent due to higher-than-anticipated growth in agriculture, mining and manufacturing sectors. There are also signs of a turnaround in the merchandise exports as the export figures for the year 2009-10 are also encouraging.

This also helped India's logistics sector, including ports and road transport, which shown the signs of recovery from a global recession that caused trade to shrink and cargo volumes to slump.

The major challenges before the Indian economy is to control the emergence of double digit food inflation, to improve education opportunities and provide health facilities at the level of households, both in rural and urban areas, to strengthen government systems, structures and institutions at different levels of governance and the last but not the least to show resistance against the terrorism which spread its poisonous shadow across all over the world.

Company's Business in brief:

Your Company offers a complete range of Logistics Products, which include following business activities:

- a) Transportation Services, Part as well as Full Truck Load Business.
- b) On-Board Air Freight Services, known as Co-Loading, across the length and breadth of the Country.
- c) Air Cargo Consolidation Services for Domestic and International Courier Companies.
- d) Inbound Freight Services into the Country.
- e) Express Cargo distribution through out the Country involving door-to-door delivery of consignment in a time bound schedule.
- f) Logistics involving the services like storage, packaging and inventory management services to customers.

Your Company is a single stop Logistics Services Provider, offering complete Logistics solutions through the extensive infrastructure of Offices and Delivery Destinations across all over the country.

### (A) PATEL ROADWAYS

This division of the Company undertakes the conventional transportation of goods including part and full truck load. It involves point-to-point movement of cargo in a single trip in truck loads of various capacities ranging from 5-25 tons. It also includes movement of specially containerized goods.

#### **Industry overview:**

India has an extensive road network of 3.3 million kms - the second largest in the world. The Highways/Expressways constitute 70,748 kms (2% of all roads). About 65% of freight and 80% passenger traffic is carried by these roads. The industry has been making an increasingly important contribution to the economic growth of the country by providing logistics of the cargo movement.

#### **Opportunities & Threats:**

Today the Indian customer's standard and the level of expectation have gone up dramatically. Hence, it is "Customer Service" which is going to give the competitive edge to any industry in the future.



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The domestic express cargo industry is meeting the customer satisfaction needs by providing speedy and safe delivery of cargo like documents, packages, samples, exhibition material etc. Domestic market for door-to door express cargo market is more than Rs 400 Crore and current rate of growth is in a healthy region of 35% per annum.

Freight rates, in general, have increased in the recent past. Considering the GDP growth rate of 9%, it is expected that road freight Industry will be growing at CAGR of 9.9% from 2007-08 to 2011-12. The Road freight volumes have been targeted at 1,231 billion tonne kilometers (BTK) by 2011-12.

Annual growth projected at 12-15% for passenger traffic, and 15-18% for cargo traffic. In the Eleventh Five year plan Rs 3.6 trillion investments have been outlined which will be utilized to develop and re-develop road infrastructure across the nation. The better road infrastructure will also lower the maintenance cost for transporters. Thus it will lead to enhanced reach and improvement in efficiency in road transportation.

The long term profitability will be affected by factors like the necessity to pass on the benefits of efficiencies to ultimate customers and strong inter modal competition especially with up coming of railway freight corridors.

Introduction of the proposed Goods and Services Tax (GST) would change the rules of the game for logistics sector in India. With introduction of GST and abolition of CST, trade boundaries between states will not exist and companies can consolidate their supply chains. It would facilitate seamless supply across supply chain and across state. GST would increase the importance of logistics for the manufacturing sector. Presently, most large manufacturing firms have regional warehouses of their own to avoid inter-state taxes, but under GST they can streamline their operations and outsource their supply chain requirements to logistic sector.

### **Outlook:**

The outlook for Road Freight Transport Sector largely depends upon infrastructural facilities available in the country. Road development is recognized as essential to sustain India's economic growth. The Government is planning to increase spends on road development substantially with funding already in place based on a cess on fuel. A large component of highways is to be developed through public-private partnerships. The investment opportunities exist in a range of projects being tendered by NHAI for implementing the NHDP - contracts are for construction or BOT basis depending on the section being tendered.

In view of the above development the Road Freight Transport sector has bright chance to perform to its potential in the current year.

### **Risks & Concerns:**

The Road Transport Sector is marred by many inherent risks which are specific to its functioning, like fragmented ownership of vehicles, poor infrastructure of roads, bureaucratic delays at the borders, poor vehicular maintenance, en-route levies etc. These may be categorized as operational risks. It is also exposed to market risks and financial risks to which all the corporations are exposed. These include risks like fluctuations in the economy and sudden changes in the Governmental policies and laws at macro level and risks like increase in the prices of component parts and fuel, increase in the hiring charges of vehicles etc. at micro level. Besides these, the Road Transport Sector is also saddled by natural calamities and events like bandhs and riots in various parts of the country. The fuel hikes on petrol, diesel, CNG and LPG in the Nov'09, Feb'10 and very recent in the month of Jun'10 has raised the Freight rates by 5-8% due to which all the commodities and raw materials cost has risen by 20-30%.

### **(B) PATEL RETAIL**

This is relatively new business activity undertaken by the Company during the year 2006 and comprises of express delivery of consignment(s) on door-to-door basis. The business has increased from Rs.145 lacs average p.m. to Rs.180 lacs average p.m. in the current year and is expected to contribute approx. 20% of the Roadways Division by the year end.

### **Industry Overview:**

Indian express industry, which along with China, is one of the fastest growing express markets in the world. Though the size of the Indian express industry is miniscule when compared to the global express industry. However, the Express



Cargo industry in India has been growing at a phenomenal rate of 20-25% and expected to more than double by 2012. The business of Express Cargo is carried on by using all three modes of cargo movement i.e. surface, air and rail. Surface cargo movement constitutes the bulk of the express cargo movement.

The Indian express industry can be broadly classified into organized, semi-organized and unorganized segments. The semi-organized and unorganized players mainly operate at intra-city level and niche domestic market. The structure of the industry can be gauged from the fact that although there are more than 2,000 players operating in the country, only 20-25 players operate on a national level. Major national players in the express cargo industry include Gati, Safex, AFL, Xps, Speedage / TNT.

**Opportunities & threats:**

The prospect of express industry is primarily dependent upon the growth in GDP and world trade. With the Indian economy expected to grow at 9% annually, coupled with an average annual growth rate of 16% in India's global merchandise trade (Source: Foreign Trade Policy), the Indian express industry is expected to grow at an impressive annual rate of 20% to 25% over the next few years. Moreover, with India being recognized as an outsourcing destination, manufacturing sectors like textiles, automobiles and pharmaceuticals are likely to witness increased activities in medium to long term. In order to maintain its competitiveness, companies operating in these industries are expected to outsource their logistics requirements to third party logistics service provider (3PL) and concentrate on their core-competency of manufacturing.

There are extra ordinary opportunities in this business. Using the formidable strength of its existing infrastructure of nearly 350 branches / offices / hubs, VTS scheduled vehicles, Centralised Delivery System and manpower, our Company is in a position to expand its activities in this lucrative sector.

Challenges faced by the industry include matching upto the rising expectations of the customer, expanding the network to reach hitherto uncovered areas, containing rising fuel and freight costs and retention of manpower.

**Outlook:**

The express sector in India has a bright outlook. As a fast-growing, market-driven economy, we believe India is poised to take a leading role on the world's stage. The outlook for this product is progressive. Though it is a part of the Transport Sector in general, the Express Cargo Industry, in a short span of time, has been able to carve a separate status and identity for itself. With the steady growth in all the sectors including the Manufacturing and the Retail Trade, the Express cargo industry is poised for healthy growth. The improvement in the road infrastructure is becoming evident and a larger segment of corporates have started preferring express deliveries made in time.

This mode of transport has an ability to grow at a very brisk pace. The net margins in this business are much higher as compared to those in the conventional freight transport business as the customer is prepared to pay a higher price for professional handling of cargo and door-to-door delivery, and "Just in Time" delivery of cargo.

**Risk & concerns:**

The complexities of this business are very high because the service levels are based on a number of constituents like reach (depth and width), government regulations, infrastructure etc which are not in the control of service providers in this industry. To a certain extent the risks are akin to the transport industry as a whole. Besides, the investment and commitment levels required are also quite steep.

**(C) POBC DOMESTIC**

This division of the Company undertakes the business of Co-Loading of various couriers in the domestic market.

**Industry overview:**

The Co-loading & Cargo Industry depends on the Airlines, Government Policies and Statutory Compliances which directly or indirectly define the pricing policy of Airlines.

The Industry is poised to regain its lost Vigour in the year 2010, It's a fact that that like all other Industries, Air Cargo



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Industry also suffered some reversals in the year 2009 due to Global Market Conditions. However the financial year 2010-11 has begun on a positive note, and there are market indicators to believe that Cargo Industry could register a double digit growth once again this year.

The Courier and Cargo Market are seeing tremendous demand and increase in businesses from Tier II and Tier III cities. The opening up of India's Banking, Insurance, Finance, Retail, Aviation and telecom sectors to the globe and ongoing penetration of Indian and Foreign companies to smaller cities in India would drive the Sector's growth to the significant level.

The Outlook for this division in 2010 – 2011 can be best described as “Back to Business”

### ***Opportunities & Threats:***

After a significant slump in the year 2009, the air freight and courier business seems to be once again getting back in a robust mode. The recovery which has commenced around February 2010 is showing signs of getting more formidable with each passing month. The Courier Industry might suffer some setback due to the Proposed changes to the Postal bill regulations which confer the exclusive privilege to the Postal Department to handle all documents weighing less than 300 gms.

The decontrolling of the Fuel Prices can lead to a substantial increase of freight charges thereby posing a threat to the growth of the industry.

### ***Outlook:***

India's macro economic environment looks steady. It is expected that Indian economy will bounce back and the growth path will continue on projected lines of 15 to 20 per cent YOY for the next two to three years.

The Tier II and Tier III cities will play a major role in the infrastructural growth. The growth potential is more in the smaller towns which needs to be tapped.

### ***Risks & Concerns:***

Market driven fuel price will lead to a cascading effect as the Air Turbine Fuel (ATF) Prices will go up as the International Prices Go up. This will directly or indirectly lead to increase in freight charges, thereby forcing companies to look out for cheaper mode of transportation which will affect your company adversely.

## **(D) PATEL AIRFREIGHT DOMESTIC**

This division of the Company carries on the business of air cargo movement in the domestic markets.

### ***Industry overview:***

The industry is gradually coming out of the grip of global economic crisis. As the year unfolded, global markets were subject to developments such as volatility in the price of crude oil, inflationary pressures and, later on, sub-prime crisis in the United States. Over the last six months, an economic revival has enveloped the whole world. India has also been impacted and consequently the markets have witnessed a robust uptrend in growth.

The Government's initiative to develop and improve major Airports in the country with modern infrastructural facilities will boost Cargo volumes substantially.

### ***Opportunities & Threats:***

With the fuel prices stabilising the Airlines are in a position to make viable expansion plans.

However, with the advent of the Private Players, the cost of the infrastructure and facilities have increased at the terminals and airports thereby increasing the per unit cost.

With an estimated Economic growth of 8.5 % the signs of recovery are evident and the volumes of Air Cargo movements are expected to further increase. At the same time due to heavy competition in the Industry, the profit margins might not increase in the same proportion.

**Outlook:**

Backed by the growing Indian economy this sector seems to be on an upswing with an expected YOY growth of 10-15 per cent.

The competition within the airlines has resulted in very attractive prices for the carriers of bulk loads. The active participation of new players will be favorable to the industry and will push the operators to provide services with better speed and at cheaper cost.

Your Company's efforts in providing a one stop solution for all logistics needs of the customers will attract more business as compared to traditional cargo movers.

**Risks & Concerns:**

The service efficiency levels have increased tremendously due to increased competition. Customers are willing to pay a price and expect a premium service in terms of timely delivery of consignments and transparency in cargo processing information. The service providers have to invest manifold in manpower and capital to meet these rising standards and use upgraded technology like on-line as well as wireless tracking of consignments and other support systems.

The Cargo industry is hinting at a robust growth. Airlines are now focusing more on Cargo Space Management as it is an additional source of revenue for the airlines.

The recent initiatives by the government which include building of additional airports with state of the art facilities, automation of cargo handling at existing airports, widening and concretization of roads leading to airports etc. will help the industry in catering its services more effectively and efficiently.

The sector struggles for proper cargo warehousing facilities and multi-modal links for local distribution, even with increasing number of airline companies making attempts to leverage the potential of the air cargo segment which we see as a big business opportunity.

**(E) POBC INTERNATIONAL**

This Division is in the business of Wholesale Courier Consolidation for International Sectors and operates line-hauls ex Mumbai & Delhi.

**Industry Overview**

The Industry Overview is more or less the same as that of POBC Domestic, as it is part of the same Industry. The only variation is that, POBC International operates International Sectors and hence there are some sectoral differences.

**Opportunities and Threats**

The major threat is that the scope of this business is declining and it could possibly be reaching the end of its life cycle. This is because, post liberalization of the OBC Era, the scope for providing value addition in this business is diminishing. Excess capacity and the resultant underutilization by the Aviation Industry resulted in Carriers getting desperate and seeking out all sorts of additional avenues of business. Customer loyalty is a thing of the past now and many Airlines are offering direct deals to everyone, even to our own Customers and weaning them away. IATA Agents have now also entered this business and this has created unhealthy competition, further eroding the already slim margins that we were operating on.

**Outlook**

The overall Courier volumes are increasing and this appears to be good news. With several Airlines drastically reducing capacity and / or withdrawing services, a balance has finally been achieved now between capacity and demand. This has already led to a steep increase in rates by the Airlines. If this situation continues, this should hopefully also lead to Airlines focusing on their core area of General Cargo Business and leave Courier to Wholesale Consolidators like us. If this happens, it will provide us with the opportunity of effectively increasing our business and improving our profitability as well.



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### ***Risks and Concerns***

The Major Risks are : Airlines competing directly with us by offering the same rates to our Customers as well, Customers Co-loading with each other to increase their volumes and deal directly with the Airlines thereby depriving us of their business as well as competing with us, Freight Forwarders poaching our business, Customers taking advantage of the situation by forcing us to reduce our rates / margins demanding extended credit and delaying / defaulting in payments as well. Retaining Customers is becoming increasingly challenging and a daily struggle. Unfortunately, the higher end of the market which is service conscious is shrinking and the lower end which is only price conscious is increasing. This makes a bad situation worse for us, since price is the only determining factor here. We are therefore constantly alert to take full advantage of all opportunities that may arise from time to time and are continuously taking steps to ensure that our interests are protected to the best extent possible. At the same time, we are carefully monitoring our payments and receivables to make sure that our Cash Flows are not adversely affected and that we do not face the risk of bad debts.

### **(F) PATEL AIRFREIGHT INTERNATIONAL**

This Division is in the business of handling Airfreight of Export Cargo ex Mumbai

#### ***Industry Overview***

This is part of the International Freight Forwarders Community and is focused on Exports by Air ex Mumbai. It is a business where we deal with Exporters and Sub Agents to generate International Air Cargo volumes on various Airlines ex Mumbai to destinations all over the world.

#### ***Opportunities and Threats***

Being part of the International Freight Forwarding Trade, the repercussions of the problems faced by the Aviation Industry are also faced by us. During the period of Aviation overcapacity, the diminishing yields of the Airlines resulted in reduced yields for us as well and the global slowdown resulted in lower volumes too. Now that a capacity correction has taken place, Airlines have substantially increased their rates and obtaining space is often a challenge. Some Airlines take undue advantage of the situation by insisting on charging Express Cargo Rates for General Cargo service. Satisfying and retaining customers in such a scenario is therefore difficult, as it is not always possible for us to obtain firm confirmed space at competitive rates for every shipment.

#### ***Outlook***

With the improving health of the Global Aviation Industry, the outlook appears to be brighter now. The Indian economy is robust and Exports are growing. Business volumes should therefore be good. With increased yields by the Airlines, we are hopeful of some increase in yields for us as well, which should translate into better profits too.

### ***Risks and Concerns***

The major risks are intense competition from several Global and Local Freight Forwarders leading to wafer thin margins, customers insisting on and obtaining extended credit and delayed payments and defaults, which adversely affect cash flows. To insulate ourselves from this and minimize our risks, we are very careful about taking on new customers and always check to find out if they have defaulted in payment with their previous supplier, which could be a reason for them wanting to shift over to us. We also carefully monitor the credit provided and payment position of all our customers, so as to ensure that we collect our money in time and there are no defaults or delays in payment to the Airlines or bad debts to us.

### **Human Resource Management:**

The "House of Patel" is a people oriented organisation. The Management firmly believes that dedicated and motivated people is it's most productive asset. This philosophy is articulated in Company's Mission which states:

"Growth through total customer satisfaction, spurred by a motivated and pro-active family of employees committed towards innovation and continuous improvement in quality standards."

Enhancement in the quality of Services rendered by the Organization depends on the quality of people in the organization. The Company embraces an entire life cycle of employees' engagement with the organization. Company's vision 'to be a globally competitive company' is propelled by a zealous and dedicated work force striving continuously on improving aspects of efficiency and prompt services to customers. Company's focus remains on imparting training to employees at various levels, conducted by both internal and external faculty thereby building leadership.

The Company believes that intrinsic abilities of employees can be developed by recognizing performance and suitably rewarding it.

The Company enjoys a cordial and peaceful relationship with all its employees during the year. The number of people employed were 1013 as on 31st March, 2010.

**Internal Control System:**

The Company has a satisfactory Internal Control System, the adequacy of which has been reported by the Auditors in their Report as required by the Companies (Auditor's Report) Order, 2003.

The Company is committed to further improve Internal Controls and strengthen the Internal Audit function. Further stress on Corporate Governance is being given in the current year. We firmly believe that the business can grow and develop on the required lines and profitability can be sustained only through Strong and Transparent Corporate Governance.

**Financial performance and segment-wise performance:**

The discussion on the financial performance of the Company is covered in the Directors' Report. The segment-wise performance is available in note 13 of the notes forming part of the Accounts for the year under consideration.

**Cautionary Statement:**

Statements in the Management Discussion and Analysis Report describing Projections, Estimates, Expectations, Future Outlook etc. in connection with the business may be 'forward looking statements' within the meaning of applicable securities laws and regulations. However, the actual results could materially differ from those expressed or implied in the statements made by the Management. Various factors which are outside the purview of the Management Control can cause these deviations. These factors include economic developments in the country, changes in governmental policies and fiscal laws, sudden and unexpected rise in input costs, change in the demand supply pattern in the industry, etc.

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### AUDITOR'S REPORT

To,  
The Members of  
Patel Integrated Logistics Limited.

1. We have audited the attached Balance Sheet of Patel Integrated Logistics Limited, as at 31st March, 2010, the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of The Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the **Annexure** a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. We further report that:
  - i) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - ii) 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;
  - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v) On the basis of the written representations received from the Directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2010 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
  - vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true & 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 31st March, 2010;
    - b. in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date;  
and
    - c. in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **M S P & CO.**  
Chartered Accountants  
**M.S.Parikh**  
(Partner)  
Membership No. 08684  
Mumbai,  
Dated: 25th August, 2010

## ANNEXURE TO AUDITORS' REPORT OF PATEL INTEGRATED LOGISTICS LIMITED

(Referred to in paragraph 3 of our report of even date)

(I) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) We have been informed that most of the Fixed Assets have been physically verified by the management during the year in a phased manner 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) During the year no substantial part of fixed assets has been disposed off by the Company. Therefore, the provisions of clause I(c) of paragraph 3 of the aforesaid Order, in our opinion, are not applicable to the Company.

(II) In respect of inventory of stores, operating supplies, etc.:

In view of there being no requirement to carry and hold any stock of inventories, the provisions of clause II of paragraph of the aforesaid Order, in our opinion, are not applicable to the Company.

(III) In respect of the loans, secured or unsecured, granted or taken by the Company to companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956, according to the information and explanations given to us :

- (a) The Company has not granted any loans to companies listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause III(b) to (d) of paragraph 3 of the aforesaid Order, in our opinion, are not applicable to the Company.
- (e) The Company has taken unsecured loan from one company listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs.1,91,47,138/- and the year end balance of loan taken from such company is Rs.1,06,00,000/-.
- (f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the loans taken by the company, are not prima facie prejudicial to the interest of the company.
- (g) The principal amounts are repayable on demand and there is no repayment schedule. The interest is paid regularly.

(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 with regard to purchase of fixed assets and sale of services. During the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the internal control system.

(V) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

- (a) The transactions made in pursuance of contracts or arrangements that are required to be entered in the Register maintained under Section 301 of the Companies Act, 1956, have been duly entered by the Company.





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- (b) In our opinion, the transactions in pursuance of contracts or arrangements that are required to be entered in the Register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 500,000/- (Rupees Five Lacs Only) or more in respect of any party during the year, the rates are considered to be reasonable having regard to the prevailing market price at the relevant time.
- (VI) In our opinion and according to the explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order under the aforesaid sections has been passed by the Company Law Board on the Company.
- (VII) In our opinion, the Company has an internal audit system, commensurate with the size of the Company and nature of its business.
- (VIII) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of any of the activities of the Company.
- (IX) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues of Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Cess and other statutory dues applicable to it, with the appropriate authorities during the year. According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, and Cess were in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues, which have not been deposited on account of any dispute.
- (X) The Company has no accumulated loss as at 31st March, 2010 and has not incurred cash losses in the financial year covered under audit and in the immediately preceding financial year.
- (XI) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks, Financial Institutions. The Company has not issued any debentures.
- (XII) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and 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. Therefore, the provisions of clause XIII of paragraph 3 of the aforesaid Order, are not applicable to the Company.
- (XIV) In our opinion and according to the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of Clause XIV of paragraph 3 of the aforesaid 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. Accordingly, the provision of Clause XV of paragraph 3 of the aforesaid Order, are not applicable to the Company.
- (XVI) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the same were obtained.
- (XVII) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term investment.

- (XVIII) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year. Therefore, the provisions of clause XVIII of paragraph 3 of the aforesaid Order, in our opinion, are not applicable to the Company.
- (XIX) The Company has not issued any debentures during the year under audit. Therefore, the provisions of clause XIX of paragraph 3 of the aforesaid Order, in our opinion, are not applicable to the Company.
- (XX) The Company has not raised any money by public issue during the year. Therefore, the provisions of clause XX of paragraph 3 of the aforesaid Order, in our opinion, are not applicable to the Company.
- (XXI) To the best of our knowledge and according to the information and explanation given to us, a senior officer of the Company perpetrated some dealings with outside parties (not related with the Company), resulting in misappropriation of funds of such parties. The facts were reported and a F.I.R. was lodged with the Police. Currently, the matter is subjudice.

**For M S P & CO.**

Chartered Accountants

**M.S. Parikh**

(Partner)

Membership No.08684

Mumbai,

Dated : 25th August, 2010



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### BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedules	Rupees	As At 31.03.2010 Rupees	As At 31.03.2009 Rupees
<b>SOURCES OF FUNDS :</b>				
<b>Shareholders' funds:</b>				
Share capital	"A"	15,12,41,620		15,12,41,620
Share Warrant Application Money	"AA"	—		59,20,000
Reserves and surplus	"B"	70,42,37,482		67,02,78,717
			85,54,79,102	82,74,40,337
<b>Loan funds:</b>				
Secured loans	"C"	24,15,07,464		22,74,33,363
Deferred payment liability	"D"	3,71,28,162		5,08,54,164
Unsecured loans	"E"	7,78,61,416		8,11,05,641
			35,64,97,042	35,93,93,168
Deferred tax liability (Net)			5,13,91,357	5,17,94,342
<b>TOTAL:</b>			<b>1,26,33,67,501</b>	<b>1,23,86,27,847</b>
<b>APPLICATIONS OF FUNDS:</b>				
<b>Fixed assets</b>				
Gross block	"F"	65,33,49,143		64,21,41,352
Less: depreciation		21,78,02,731		19,08,80,592
Net block		43,55,46,412		45,12,60,760
Capital work in progress		23,16,588		21,18,606
			43,78,63,000	45,33,79,366
<b>Investments</b>	"G"		4,03,96,581	4,03,77,081
<b>Current assets, loans and advances</b>				
Sundry debtors	"H"	73,51,50,746		71,78,55,376
Cash and bank balances		16,76,57,292		15,48,01,462
Loans and advances		44,95,91,785		42,53,46,742
		1,35,23,99,823		1,29,80,03,580
Less: Current liabilities and provisions	"I"			
Current liabilities		43,75,04,124		37,92,73,684
Provisions		12,97,87,779		17,38,58,496
		56,72,91,903		55,31,32,180
Net current assets			78,51,07,920	74,48,71,400
<b>TOTAL:</b>			<b>1,26,33,67,501</b>	<b>1,23,86,27,847</b>
Notes to Account	"O"			

As per our report of even date

**For M S P & Co.**

Chartered Accountants

**M.S. Parikh**

Partner

Membership No. 08684

Mumbai,

Dated : 25th August, 2010

For and on behalf of the Board,

**A. A. PATEL**

Executive Vice Chairman

**P. S. G. NAIR**

Director

**M. L. UKIDAVE**

Chief Financial Officer

**N. B. AKOLKAR**

Company Secretary

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

		Year Ended 31.03.2010	Year Ended 31.03.2009
	Schedules	Rupees	Rupees
<b>INCOME :</b>			
Freight		1,24,23,50,201	1,18,59,07,050
Co Loading and cargo income		2,22,45,73,955	2,86,29,27,744
Other income	"J"	3,98,60,707	2,95,26,897
		<u>3,50,67,84,863</u>	<u>4,07,83,61,691</u>
<b>EXPENDITURE :</b>			
Operating cost	"K"	2,94,70,64,672	3,47,63,37,529
Payments to and provisions for employees' remuneration	"L"	19,55,43,434	22,54,62,310
Administrative and other expenses	"M"	20,76,64,259	23,80,92,560
Finance cost	"N"	5,75,81,360	4,78,59,706
Depreciation		3,72,11,188	3,78,79,432
		<u>3,44,50,64,913</u>	<u>4,02,56,31,537</u>
<b>Profit before tax</b>		<b>6,17,19,950</b>	<b>5,27,30,154</b>
Less : Provision for tax for current year -			
- income tax [ including for wealth tax Rs 2,00,000 (Previous year – Rs 1,50,000)]		1,63,00,000	1,30,50,000
- Deferred tax [ Refer Note.No 14 ]		(402,985)	67,82,934
- Fringe benefit tax		–	38,56,769
Less : (Excess)/short provision of income tax for earlier years		<u>2,00,068</u>	<u>916</u>
<b>Profit after tax</b>		<b>4,56,22,867</b>	<b>2,90,39,535</b>
Add : Balance in Profit & Loss A/c. brought forward		8,94,76,209	12,99,38,832
Profit available for appropriation		<u>13,50,99,076</u>	<u>15,89,78,367</u>
Transfer to General Reserve		–	5,00,00,000
Transfer to Capital Redemption Reserve		–	18,60,000
Proposed Dividend		1,50,79,412	1,50,79,412
Tax on Dividend		25,04,690	25,62,746
Balance carried to Balance Sheet		<u>11,75,14,974</u>	<u>8,94,76,209</u>
<b>TOTAL :</b>		<b><u>13,50,99,076</u></b>	<b><u>15,89,78,367</u></b>
<b>EPS (basic &amp; diluted)</b>		<b>3.03</b>	<b>1.93</b>
Notes to Account	"O"		

As per our report of even date

**For M S P & Co.**

Chartered Accountants

**M.S. Parikh**

Partner

Membership No. 08684

Mumbai,

Dated : 25th August, 2010

For and on behalf of the Board,

**A. A. PATEL**

Executive Vice Chairman

**P. S. G. NAIR**

Director

**M. L. UKIDAVE**

Chief Financial Officer

**N. B. AKOLKAR**

Company Secretary



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### SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

		As At 31.03.2010 Rupees	As At 31.03.2009 Rupees
<b>SCHEDULE "A"</b>			
<b>SHARE CAPITAL :</b>			
<b>AUTHORISED :</b>			
2,00,00,000 Equity Shares of Rs.10/- each (2,00,00,000)		20,00,00,000	20,00,00,000
		<u>20,00,00,000</u>	<u>20,00,00,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>			
1,51,86,612 Equity Shares of Rs.10/- each fully paid up (1,51,86,612)		15,18,66,120	15,18,66,120
1,07,200 Less : Face value of shares forfeited (1,07,200)		10,72,000	10,72,000
		<u>15,07,94,120</u>	<u>15,07,94,120</u>
<b>Note : Equity share capital includes :</b>			
1) 27,50,000 Equity Shares of Rs.10/- each issued as fully paid Bonus Shares by capitalization of Revaluation Reserve, General Reserve and Capital Redemption Reserve.			
2) 53,86,612 Equity Shares of Rs.10/- each issued to shareholders of erstwhile Patel On-Board Couriers Ltd. under the scheme of amalgamation.			
3) 18,00,000 Equity shares of Rs 10/- each issued on Preferential basis			
<b>FORFEITED SHARES :</b>			
Amount paid-up on 1,07,200 equity shares		4,47,500	4,47,500
		<u>15,12,41,620</u>	<u>15,12,41,620</u>
<b>SCHEDULE "AA"</b>			
<b>SHARE WARRANT APPLICATION MONEY</b>			
– Application Money received @ Rs7.40/- per Equity Share Warrant (8,00,000) of Rs 74/- each issued on Preferential basis (Refer Note No. 3 of Schedule "O")		–	59,20,000
		<u>–</u>	<u>59,20,000</u>
<b>SCHEDULE "B"</b>			
<b>RESERVES AND SURPLUS :</b>			
1. Capital Reserve account			
Balance as per last account	63,66,053		5,42,000
Add : Transfer from Share Warrant Application Money (Refer Note No 3 of Schedule "O")	59,20,000		–
Add: Addition on Amalgamation of Springfield Hotels Pvt. Ltd.	–		58,24,053
		<u>1,22,86,053</u>	<u>63,66,053</u>
2. Capital Redemption Reserve		18,60,000	18,60,000
3. Share premium account		24,47,52,937	24,47,52,937

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	As At 31.03.2010 Rupees	As At 31.03.2009 Rupees
4. General reserve		
Balance as per last account	32,78,23,518	28,18,35,342
Add: Transferred from profit and loss account	–	5,00,00,000
Less : Deferred Tax Adjustment upon		
Amalgamation of Springfield Hotels Pvt. Ltd.	–	40,11,824
	<b>32,78,23,518</b>	<b>32,78,23,518</b>
5. Balance in profit and loss account	<b>11,75,14,974</b>	<b>8,94,76,209</b>
	<b>70,42,37,482</b>	<b>67,02,78,717</b>

### SCHEDULE "C"

#### SECURED LOANS :

Term loan from banks :

Secured by :

-Exclusive mortgage by deposit of title deeds  
in respect of immovable property at Andheri .  
(An amount of Rs.2,82,349/- (previous year Rs. 2,27,747/-)  
is due within one year.)

72,75,829 75,16,381

Overdrafts and cash credit facilities from banks :

Secured by:

Pari Passu Hypothecation charge on all the  
present & future book debts.

23,42,31,635 21,99,16,982

Collateral Security-

- Personal Guarantee of Wholetime Director designated as Executive Vice Chairman.
- Pledge of 1,10,000 Equity shares of Wall Street Finance Ltd.
- Equitable Mortgage of certain properties:
  - a) Situated at Mumbai.
  - b) Owned by Promoter Companies & Associates situated at Mumbai & Pune.

24,15,07,464 22,74,33,363

### SCHEDULE "D"

#### DEFERRED PAYMENT LIABILITY :

Secured by :

Specific Trucks and Vehicles acquired under a Financing Agreement  
(An amount of Rs. 1,92,00,605/- (previous year Rs. 2,06,36,970/-)  
is due within one year.)

3,71,28,162 5,08,54,164

3,71,28,162 5,08,54,164

### SCHEDULE "E"

#### UNSECURED LOANS :

Fixed Deposits

6,67,06,000 6,17,83,000

An amount of Rs. 3,37,60,000 /- (Previous Year Rs. 1,56,52,000/-) is due within one year.

Inter Corporate Deposit

1,06,00,000 1,91,47,138

Interest accrued and due

5,55,416 1,75,503

7,78,61,416 8,11,05,641

# **SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010**

## **SCHEDULE "F"**

### **FIXED ASSETS:**

(Amt. in Rs.)

Particulars	Gross Block			Depreciation			Net Block		
	As At 1.4.2009	Additions	Deductions	As At 31.03.2010	As At 1.4.2009	For the Year	Upto 31.03.2010	As At 31.03.2010	As At 31.3.2009
Land									
-Freehold	16,06,88,040	-	-	16,06,88,040	-	-	-	16,06,88,040	16,06,88,040
-Leasehold	92,050	-	-	92,050	23,279	956	24,235	67,815	68,771
Buildings	12,74,92,227	-	12,72,205	12,62,20,022	1,56,67,450	20,60,650	1,74,55,224	10,87,64,798	11,18,24,777
Plant & Machinery	68,60,952	50,698	-	69,11,650	43,46,848	2,38,289	45,85,137	23,26,513	25,14,104
Furnitures & Fixtures	5,97,32,951	4,11,273	2,88,725	5,98,55,499	2,50,53,123	31,76,653	2,79,88,683	3,18,66,816	3,46,79,828
Office Equipment	3,72,15,120	7,54,225	36,950	3,79,32,395	1,73,01,949	16,18,709	1,89,12,716	1,90,19,678	1,99,13,171
Vehicles	2,87,46,125	1,15,59,599	63,41,913	3,39,63,811	1,06,98,151	26,87,245	1,08,70,026	2,30,93,785	1,80,47,974
Trucks	9,03,06,351	-	93,85,990	8,09,20,361	3,26,71,474	1,32,28,870	3,86,59,776	4,22,60,586	5,76,34,877
License Software	1,29,06,072	27,57,021	-	1,56,63,093	1,10,94,362	17,53,193	1,28,47,555	28,15,538	18,11,710
Computers	11,81,01,464	1,30,11,958	11,200	13,11,02,222	7,40,23,956	1,24,46,623	8,64,59,379	4,46,42,843	4,40,77,508
Total	64,21,41,352	2,85,44,774	1,73,36,983	65,33,49,143	19,08,80,592	3,72,11,188	21,78,02,731	43,55,46,412	45,12,60,760
Previous Year	45,11,05,992	23,00,68,419	3,90,33,059	64,21,41,352	17,64,32,825	3,78,79,432	19,08,80,592	45,12,60,760	27,46,73,167

a) Building includes Rs 250/- in respect of shares held in the Society.

b) Vehicle includes :-

- Rs 1,77,65,538/- (previous year Rs 99,92,459/-) being cost of assets taken on hire purchase. Net block as on 31.03.2010 Rs 1,53,78,842/- (Previous year Rs 84,25,238/-).

c) Truck fleet includes :-

- Rs 7,13,57,075/- (Previous year Rs 7,43,67,103/-) being cost of assets taken on hire purchase. Net Block as on 31.03.2010 - Rs 4,34,36,944/- (Previous year Rs 5,47,59,938/-).

d) Computer software - Refer note 1(b) (v) of Schedule "O".



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## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	As At 31.03.2010 Rupees	As At 31.03.2009 Rupees
<b>SCHEDULE "G"</b>		
<b>INVESTMENTS (at cost) (Long Term)</b>		
<b>NON-TRADE (QUOTED) :</b>	<b>3,67,82,681</b>	3,67,63,181
<b>NON-TRADE (UNQUOTED) :</b>	<b>1,37,650</b>	1,37,650
<b>TRADE (QUOTED) :</b>	<b>34,76,000</b>	34,76,000
<b>TRADE (UNQUOTED) :</b>	<b>250</b>	250
	<b><u>4,03,96,581</u></b>	<u>4,03,77,081</u>

### NOTES :

(1) Aggregate book value of quoted investments	<b>4,02,58,681</b>	4,02,39,181
Aggregate market value of quoted investments	<b>4,22,30,993</b>	2,58,22,965
(2) Aggregate book value of unquoted investments	<b>1,37,900</b>	1,37,900

### SCHEDULE "H"

#### CURRENT ASSETS, LOANS AND ADVANCES

##### SUNDRY DEBTORS (Considered Good)

##### Secured

- outstanding for a period exceeding six months	<b>1,40,33,471</b>	1,18,24,748
- others	<b>18,57,79,014</b>	15,62,36,952

##### Unsecured

- outstanding for a period exceeding six months	<b>1,45,06,985</b>	1,45,72,673
- others	<b>52,08,31,276</b>	53,52,21,003
	<b><u>73,51,50,746</u></b>	<u>71,78,55,376</u>

##### CASH AND BANK BALANCES

Cash on hand	<b>1,32,37,796</b>	94,77,068
Cash / Cheques in transit	<b>2,07,87,863</b>	1,55,21,588
Balances with scheduled banks :		
(i) In current account	<b>6,93,99,480</b>	5,19,88,256
(ii) In fixed deposit and margin money accounts	<b>6,42,32,153</b>	7,78,14,550
	<b><u>16,76,57,292</u></b>	<u>15,48,01,462</u>



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### SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

	As At 31.03.2010 Rupees	As At 31.03.2009 Rupees
<b>LOANS AND ADVANCES</b>		
(unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind or for value to be received	12,36,34,386	9,48,72,663
Property deposits	3,96,40,270	5,45,89,514
Other deposits	75,00,000	86,45,713
Prepaid expenses	23,87,244	25,86,897
Staff advances	40,90,237	29,84,858
Earnest money deposits	4,45,677	6,39,948
Advances and deposits with truck drivers and other advances	57,59,506	73,94,932
Advance income tax	26,08,04,462	24,91,62,098
Interest accrued	53,30,003	44,70,119
	<u>44,95,91,785</u>	<u>42,53,46,742</u>
	<u>1,35,23,99,823</u>	<u>1,29,80,03,580</u>

### SCHEDULE "I"

#### CURRENT LIABILITIES AND PROVISIONS :

##### CURRENT LIABILITIES :

Acceptances	8,41,90,000	4,97,40,000
Sundry creditors	14,54,17,281	13,93,97,081
Sundry deposits	2,90,69,418	1,96,03,404
Other liabilities	17,38,08,680	16,48,68,847
Interest accrued but not due	41,55,333	36,95,703
Overdrawn balance in current accounts with banks	8,63,412	19,68,649
	<u>43,75,04,124</u>	<u>37,92,73,684</u>

##### PROVISIONS :

For taxation		
- on income	9,15,38,323	12,82,02,000
- on wealth	2,00,000	1,70,470
- on FBT	87,10,634	1,71,84,714
For leave encashment	1,17,54,720	1,06,59,154
For proposed dividend	1,50,79,412	1,50,79,412
For tax on proposed dividend	25,04,690	25,62,746
	<u>12,97,87,779</u>	<u>17,38,58,496</u>
	<u>56,72,91,903</u>	<u>55,31,32,180</u>

## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year Ended 31.03.2010 Rupees	Year Ended 31.03.2009 Rupees
<b>SCHEDULE "J"</b>		
<b>OTHER INCOME :</b>		
Interest (Gross)	99,88,542	91,79,992
[tax deducted at source Rs. 8,53,112/- (previous year Rs.17,17,564/-)]		
Dividend from long term investments :		
- Trade	1,66,000	1,15,500
- Others	3,40,127	3,12,607
	5,06,127	4,28,107
Profit on sale of assets (Net)	1,83,82,566	53,00,140
Miscellaneous income	27,61,765	15,92,675
Compensation for surrender of tenancy rights	–	68,42,200
Income from leased properties	76,63,719	54,12,225
Income from money transfer service	5,57,988	7,71,558
	<u>3,98,60,707</u>	<u>2,95,26,897</u>
<b>SCHEDULE "K"</b>		
<b>OPERATING COST :</b>		
Truck hire charges	77,33,10,879	73,62,13,958
Truck operational expenses	10,38,56,642	11,36,17,198
Truck repairs and maintenance expenses	1,22,29,752	97,90,953
Diesel, oil and grease	6,17,12,503	5,95,14,678
Taxes and permits	20,11,118	25,73,386
Cost of tickets	6,43,368	1,63,44,641
Discounts	12,85,80,035	11,19,49,798
Excess baggage tariff	46,18,01,013	83,74,82,966
Sundry airport expenses	1,73,87,687	1,80,65,669
Line haul transportation expenses	5,58,40,939	4,90,67,903
Cargo freight charges	98,67,37,767	1,25,89,11,291
Handling charges	21,84,74,566	16,96,60,434
Packing materials consumed	1,40,53,337	64,98,523
Miscellaneous operating expenses	10,36,12,028	8,35,11,680
Insurance	11,13,315	17,46,560
Claims for loss of goods (net off recoveries)	56,99,723	13,87,891
	<u>2,94,70,64,672</u>	<u>3,47,63,37,529</u>



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### SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Rupees	Year Ended 31.03.2010 Rupees	Year Ended 31.03.2009 Rupees
<b>SCHEDULE "L"</b>			
<b>PAYMENTS TO AND PROVISION FOR EMPLOYEES' REMUNERATION :</b>			
Salaries, bonus, gratuity and other allowances		16,33,26,754	18,73,25,017
Contribution to provident fund and other funds		1,86,20,319	2,06,27,533
Staff welfare expenses		1,35,96,361	1,75,09,760
		<u>19,55,43,434</u>	<u>22,54,62,310</u>
<b>SCHEDULE "M"</b>			
<b>ADMINISTRATIVE AND OTHER EXPENSES :</b>			
Electricity charges		98,49,181	1,00,60,888
Rent, storage and compensation		5,35,11,033	5,78,83,926
Repairs and maintenance to			
- buildings, godowns & other assets	1,78,22,068		1,89,42,193
- vehicles	<u>50,85,877</u>		<u>61,19,254</u>
		2,29,07,945	2,50,61,447
Insurance		11,76,614	21,50,408
Printing and stationery		2,66,15,077	2,80,22,345
Postage and telegram, internet charges		47,36,648	54,00,919
Conveyance and travelling		1,58,13,609	2,00,20,456
Telephone and telex		1,39,26,846	1,83,65,599
Subscription and licence fees		33,57,066	35,58,382
Professional fees and data processing charges		1,06,41,901	1,57,16,835
Auditors' remuneration		11,50,000	11,50,000
Bad debts written off		61,987	42,198
Advertisement, Publicity and Business promotion		1,26,61,577	1,06,09,550
Directors' sitting fees		3,20,000	2,05,000
Sundry expenses		3,09,34,775	3,75,01,605
Loss on sale of investments		—	23,43,002
		<u>20,76,64,259</u>	<u>23,80,92,560</u>
<b>SCHEDULE "N"</b>			
<b>FINANCE COST :</b>			
Interest on fixed period loans		1,29,40,917	1,30,12,405
Other interest		4,46,40,443	3,48,47,301
		<u>5,75,81,360</u>	<u>4,78,59,706</u>

## SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

### SCHEDULE "O"

#### Notes forming part of Accounts

#### 1. Significant Accounting Policies

##### a. Basis of preparation:

The financial statements are prepared in compliance with the applicable mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), applicable Accounting Policies in India and the relevant provisions of the Companies Act, 1956. The financial statements are prepared under the historical cost convention on accrual basis except stated otherwise.

##### b. Fixed Assets and Depreciation:

i. All fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses. Buildings worth Rs.58,77,423/- included in Gross Block are revalued on the basis of the replacement value as at 30.06.1987 and the office premises worth Rs.2,48,44,368/- included in Gross Block are revalued on the basis of the replacement value as at 31.03.1993. They are stated at revalued figures less accumulated depreciation.

ii. Assets acquired on financial lease on or after April 1, 2001 are capitalised at their fair values.

##### iii. Depreciation / Amortisation

Depreciation on all assets, including those revalued, and those valued at market price is provided under straight line method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

iv. Depreciation on additions to assets or sale or disposal of assets is calculated on a pro-rata basis from / to the date of addition / deduction.

v. Computer Software is amortised over a period of three years, being the economic useful life as estimated by the management.

vi. Cost of leasehold land is amortised over the residual period of the lease.

vii. Assets taken on financial lease are depreciated over their useful life.

##### c. Impairment of Assets:

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount and the same is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

##### d. Investments:

i. Investments are stated at cost as they are made with long-term perspective. Provision for diminution, if any, in value of investments is made to recognize a decline other than temporary in the value of the investment and valuation is done on global basis.

ii. Membership shares of a Co-operative Housing Society related to office premise are included under investments.

iii. Profit / Loss on sale of investments is computed on FIFO basis.

##### e. Income / Expenses:

i. Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned / incurred, except those with significant uncertainties.

ii. There is change in the presentation of turnover figures of Air Freight & Surface Transport business. The gross billing



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### SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd..)

on the customers are shown as turnover for both business, while the freight paid to the airlines in Air Freight business and commission paid to the agents in Surface Transport business are shown as operating expenses. Earlier to this, the net effects only were shown as turnover of Air Freight & Surface Transport business. Amounts recovered towards demurrage and delivery charges are accounted at the time when they are ultimately realised. Freight includes recoverable on undelivered consignments as certified by the management and recoveries for other allied services.

- iii. Income on account of Co-Loading and Cargo division is recognized on booking of courier & cargo load.
- iv. Income from Money transfer business is accounted for when the remittance amount is paid to the receiving party.
- v. Dividend income from investment is recognised as and when received.
- vi. Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.
- vii. Claims made against the Company are evaluated as to type thereof, period for which they are outstanding and appropriate provision made. Claims are stated net of recoveries from Insurance Companies and others.
- viii. Administrative and other expenses are stated net of recoveries wherever applicable.
- f. Retirement Benefits (Staff Benefits):
  - i. The Company has taken a policy with Life Insurance Corporation of India under the Group Gratuity Scheme to cover gratuity liability to the extent of Rs.3,50,000/- per employee and the premium is accrued on yearly basis. Additional liability if any, in excess of Rs.3,50,000/- per Employee is provided for on payment basis in respect of gratuity entitlement.
  - ii. Leave encashment is accounted on the basis of actuarial valuation as at the close of the financial year.
- g. Foreign Currency Transactions:
  - i. Current Assets / Liabilities denominated in foreign currency are restated at the rates prevailing at the year end or at the rates at which forward cover has been booked, whichever is applicable.
  - ii. Difference, if any, on settlement / restatement is taken to Profit and Loss Account.
- h. Taxes on Income:
  - i. Current tax is determined as the amount of tax payable in respect of taxable income for the year.
  - ii. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets are recognised and carried forward only to the extent there is a reasonable certainty that sufficient future taxable income will be available against such deferred tax can be realised.
  - iii. Fringe Benefit Tax paid for quarter ended June'09 is treated as advance tax paid for the financial year 2009-10.
- i. Provision and contingencies:

A provision is recognized when the company has legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the company has possible or present obligation where it is not certain that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

## SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd..)

### 2. Scheme of Amalgamation of Springfield Hotels Pvt. Ltd with the Company :

During the year ended 31st March, 2010, Springfield Hotels Pvt. Ltd. (SHPL) has ceased to be a wholly owned subsidiary of the Company, as the Hon'ble High Court of Judicature at Bombay, vide its order dated 10th July 2009 has approved the Scheme of Amalgamation of SHPL with the Company. According to the scheme, SHPL stands dissolved without being wound up from the Effective Date i.e. from 20th August 2009.

### 3. Equity Shares and Warrants :

During the year 2007-08 the Company had received funds by way of Preferential Allotment of Equity shares and Equity warrants aggregating to Rs.13,91,20,000/-. Out of the said proceeds Rs.5,26,63,947/- has been utilized towards purchase of fixed assets, Rs.8,09,36,053/- has been utilized toward working capital and other Corporate Initiatives till date and balance Rs.55,20,000/- is kept with Banks. Share Warrant application money of Rs.59,20,000/- has been forfeited during the year and consequently the amount has been transferred to capital reserve account.

### 4. Contingent Liabilities

- i. Estimated amount of contracts remaining to be executed on capital account and not provided for as on 31st March, 2010 Rs.21,77,420/- (Previous Year Rs.25,17,823/-).
  - ii. Counter guarantees given to banks and others for guarantees provided by them against credit facilities Rs.4,66,58,045/- (Previous Year Rs.6,07,34,945/-).
  - iii. Claims against the Company not acknowledged as debts Rs.54,00,000/- (Previous Year Rs.53,25,000/-).
5. The Company has not received any intimation from its Vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures, if any under the said Act have not been made.
  6. Fixed Deposits of Rs.3,31,75,127/- (Previous Year Rs.2,87,78,387/-) has been placed as security with the banks against bank guarantees / credit facilities extended by them.
  7.
    - a) Sundry debtors include overdue lease debtor of Rs.15,00,000/-(Previous Year Rs.15,00,000/-). The management is confident of recovery and has taken steps to recover the same, including legal action against the party. Considering the security available with the Company and the outcome of recovery process, no provision is considered necessary by the management against the said outstanding.
    - b) Sundry Debtors against whom the Company has filed the legal suits for recovery are being reviewed by the legal department on year-to-year basis. The Company is hopeful of recovery of these amounts. Accordingly no provision has been made for any loss, which may occur on this account.
  8. Classification of debtors as secured and debtors / loans and advances as unsecured considered good are as evaluated and certified by the management, which has been relied upon by the auditors.
  9. Balances of sundry debtors, sundry creditors and certain loans and advances are subject to confirmation / reconciliation and adjustments, if any in respect thereof.
  10. Loans & advances includes inter corporate deposits (along with interest accrued and due thereon) aggregating to Rs.4,00,19,181/- (Previous Year Rs.2,32,89,442/-) due from certain companies. Having regards to the long-term involvement in these companies, the management is of the view that no provision is considered necessary on these accounts.
  11. Miscellaneous operating expenses and sundry expenses include fines and penalties of Rs.5,800/- (Previous Year Rs.20,240/-).



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### SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd..)

12. During the previous year, it was reported that one of the Senior Officers of the Company perpetrated some dealings with outside parties (not related with the Company), resulting in misappropriation of funds of such parties. The facts were reported and a F.I.R. was lodged with the Police. Currently, the matter is subjudice. Financial implications on the Company, if any, are not ascertainable at the date of this Report.

13. Segment Reporting - (Amt. in Rs.)

Segment	Surface Transportation	Co-Loading of Courier	Consolidation of Cargo	Total
Segment Revenue				
External Sales	1242350201 (1185907050)	560201689 (1328102424)	1530436534 (1528272869)	3332988424 (4042282343)
Inter - Segment Sales			133935731 (6552451)	133935731 (6552451)
Total Revenue	1242350201 (1185907050)	560201689 (1328102424)	1664372265 (1534825320)	3466924155 (4048834794)
Segment Result	90883511 (85991704)	50897078 (111918304)	170977205 (137410904)	312757794 (335320912)
Unallocated corporate expenses				233317191 (264257948)
Operating Profits				79440603 (65849534)
Interest expenses				57581360 (47859706)
Interest / dividend income				10494669 (9608099)
Other Income				29366038 (19918797)
<b>Net Profit</b>				<b>61719950</b> <b>(52730154)</b>
Other Information				
Segment assets	637493535 (469140084)	115436862 (341812521)	452474362 (255350280)	1205404759 (1066302885)
Unallocated corporate assets				625254645 (741910508)
<b>Total Assets</b>	<b>637493535</b> <b>(469140084)</b>	<b>115436862</b> <b>(341812521)</b>	<b>452474362</b> <b>(255350280)</b>	<b>1830659404</b> <b>(1808213393)</b>
Segment Liabilities	200310946 (344190551)	29010879 (64723234)	68729304 (49578443)	298051129 (458492228)
Unallocated corporate liabilities				1532608275 (1349721165)
<b>Total Liabilities</b>	<b>200310946</b> <b>(344190551)</b>	<b>29010879</b> <b>(64723234)</b>	<b>68729304</b> <b>(49578443)</b>	<b>1830659404</b> <b>(1808213393)</b>



**SCHEDULE FORMING PART OF THE ACCOUNTS FOR  
THE YEAR ENDED 31ST MARCH, 2010 (Contd..)**

Segment	Surface Transportation	Co-Loading of Courier	Consolidation of Cargo	Total
Capital Expenditure	1361381 (33757348)	153800 (1732052)	215075 (7420)	1730256 (35496820)
Unallocated corporate capital expenditure				26814518 (194571599)
<b>Total Capital expenditure</b>	<b>1361381 (33757348)</b>	<b>153800 (1732052)</b>	<b>215075 (7420)</b>	<b>28544774 (230068419)</b>
Depreciation and amortization	14538247 (15250629)	1043309 (1303210)	260013 (58359)	15841569 (16612198)
Unallocated depreciation and amortisation				21369618 (21267234)
<b>Total depreciation and amortization</b>	<b>14538247 (15250629)</b>	<b>1043309 (1303210)</b>	<b>260013 (58359)</b>	<b>37211187 (37879432)</b>

14. Break up of Deferred tax - (Amt. in Rs.)

Particulars	31.03.2010	31.03.2009
<b>Deferred tax asset :</b>		
Liabilities that are deducted for tax purpose when paid i.e. Timing Difference.	569843	166858
<b>Total Deferred Tax Asset.</b>	<b>569843</b>	166858
<b>Deferred tax liability :</b>		
Additional Depreciation on fixed assets for tax purposes due to higher tax depreciation rates.	51961200	51961200
<b>Total Deferred Tax Liability.</b>	<b>51961200</b>	51961200
<b>Net Deferred Tax Liability.</b>	<b>51391357</b>	51794342

15. In accordance with the Accounting Standard on Leases (AS 19) issued by the Institute of Chartered Accountants of India the following disclosures in respect of hire purchase agreements (Deemed to be Financial Lease) are made :

(Amt. in Rs.)

Particulars	Total MLP	Interest	Principal
Not later than one Year	2,24,53,832 (2,53,78,112)	32,53,227 (47,41,142)	1,92,00,605 (2,06,36,970)
Later than one year but not later than 5 years	1,98,55,412 (3,39,75,433)	19,27,855 (37,58,239)	1,79,27,557 (3,02,17,194)
<b>Total</b>	<b>4,23,09,244 (5,93,53,545)</b>	<b>51,81,082 (84,99,381)</b>	<b>3,71,28,162 (5,08,54,164)</b>

Figures in bracket indicate previous years figure.



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### SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd..)

16. Disclosure as per Accounting Standard – 29 – Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :

(Amt in Rs.)

Particulars	Claims for Damages (legal or otherwise)
<b>Opening Balance</b>	<b>6,82,65,072</b>
Additions	1,47,03,147
Utilizations and Reversals	1,04,90,371
<b>Closing Balance</b>	<b>7,24,77,848</b>

Provisions for claims for damage obligations (legal or otherwise) including provision for claims for damages, leakages, shortage and non-delivery of consignments are on account of routine matters where the Company anticipates probable outflow. The claims in respect of which legal suits are filed against the company are fully provided on the basis of legal suit amounts. For the other claims the amount of provision is based on the estimate made by the Company considering the facts and circumstances of each case. The timing and the amount of cash outflows that will arise from these matters will be determined only on settlement of actual cases and claims with the respective parties.

17. Earnings and Expenditure in Foreign Currency:

(Amt in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
<b>Earnings in Foreign Currency:</b>		
Air Freight Billing and Other expenses (Net)	3,65,847	24,86,810
<b>Total</b>	<b>3,65,847</b>	<b>24,86,810</b>
<b>Expenditure in Foreign Currency:</b>		
Freight Charges	4,26,809	10,56,640
Travelling	5,32,535	18,99,301
Others	–	1,10,381
<b>Total</b>	<b>9,59,344</b>	<b>30,66,322</b>

18. Managerial Remuneration:

(Amt in Rs.)

Particulars	For the year ended on	
	31.03.2010	31.03.2009
Salary, HRA and other perquisites	38,49,709	33,55,000
Employer's contribution to provident fund	3,81,600	3,81,600
<b>Total</b>	<b>42,31,309</b>	<b>37,36,600</b>

The Managerial Remuneration paid to Mr. Areef Patel, Whole-time Director, designated as Executive Vice Chairman, for the year ended March 31, 2010 is under provision of section 269 read with schedule XIII of the Companies Act, 1956 and is within the limits envisaged under part B of clause 1 of section II of part II of the said schedule XIII.

**SCHEDULE FORMING PART OF THE ACCOUNTS FOR  
THE YEAR ENDED 31ST MARCH, 2010 (Contd..)**

19. Auditors' Remuneration :-

(Amt. in Rs.)

Particulars	Year Ended 31-03-2010	Year Ended 31-03-2009
Audit Fees	8,82,400*	8,82,400*
Tax Audit Fees	1,65,450*	1,65,450*
Certification Fees including Limited Review	1,93,025*	1,93,025*
Out of Pocket Expenses	27,575*	27,575*
	<b>12,68,450</b>	<b>12,68,450</b>

\*includes service tax and education cess of Rs.1,18,450/- (Previous Year Rs.1,18,450/-).

20. Earnings per share :-

(Amt. in Rs.)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
<b>a) Calculation of weighted Average Number of Equity Shares of Rs.10 each.</b>		
i) Number of shares at the beginning of the year	<b>1,50,79,412</b>	1,50,79,412
ii) Total Number of Shares outstanding at the end of the year.	<b>1,50,79,412</b>	1,50,79,412
iii) Weighted average Number of Equity Shares outstanding during the year.	<b>1,50,79,412</b>	1,50,79,412
v) Total Number of Shares.	<b>1,50,79,412</b>	1,50,79,412
<b>b) Net Profit After Tax</b>	<b>4,56,22,867</b>	2,90,39,535
Basic and Diluted Earning per Share (in Rupees).	<b>3.03</b>	1.93
<b>c) Nominal Value of Share</b>	<b>10.00</b>	10.00

21. Related party disclosures

Related Parties have been classified as per Accounting Standards of Institute of Chartered Accountants of India as under :

- A) Individuals owning directly or indirectly an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise, and relative of such individual (Clause 3(c) of AS 18):
- Mr. Asgar S. Patel and his relatives within the meaning of section 6 read with Schedule IA of the Companies Act, 1956;
- B) Key Management Personnel and relatives of such personnel ( Clause 3(d) of AS18):
- Mr. Areef Patel and his relatives within the meaning of section 6 read with Schedule IA of the Companies Act, 1956.
- C) Enterprises over which any person described in (A) or (B) is able to exercise significant influence (Clause 3(e) of AS 18):
- A. S. Patel Trust
  - Wall Street Securities & Investment (India) Ltd.
  - Transways Combines Pvt. Ltd.
  - Patel Real Estate Developers Pvt. Ltd.
  - One Capital Ltd.
  - Patel Holdings Ltd.
  - Wall Street Derivatives and Financial Services (India) Pvt. Ltd.



## 48th ANNUAL REPORT 2009-2010

### SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010 (Contd..)

(Amt. in Rs.)

Sr.	Nature of Transactions	A		B		C	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
1.	Director Sitting Fees Paid			–	5000/-		
2.	Rent Paid	72000/-	72000/-			861000/-	718282/-
3.	Remuneration Paid			4231309/-	3736600/-		
4.	Reimbursement of Expenses Paid	19030/-	10430/-			612499/-	2779615/-
5.	Rent Received					–	44000/-
6.	Reimbursement of Expenses charged					1513489	3354979/-
7.	Dividend Received					–	115500/-
8.	Adjustment Against Deposits					120000/-	120000/-
9.	Advance Repaid					300000/-	–
10.	Inter Corporate Deposit Repaid					8547138/-	–
11.	Inter Corporate Deposit Taken					–	19147138/-

#### NOTES :

- i. Mr. Areef Patel, Executive Vice Chairman has given his personal guarantee in favour of Banks against overdrafts and cash credit facilities to the extent of Rs.39,35,00,000/- sanctioned to the Company, for which no monetary benefit has accrued to him.
  - ii. There are no provisions for doubtful debts or amounts written off or written back during the year for debts due from or to related parties.
22. In the opinion of the Board, current assets, loans and advances have a value of at least equal to the amounts shown in the Balance Sheet, if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary. There are no contingent liabilities other than those stated in Note No. 4.
23. Previous year's figures are regrouped/restated wherever required.

#### SIGNATURE TO SCHEDULES "A" TO "O"

For and on behalf of the Board,

**A. A. PATEL**  
Executive Vice Chairman

**P. S. G. NAIR**  
Director

**M. L. UKIDAVE**  
Chief Financial Officer

**N. B. AKOLKAR**  
Company Secretary

Mumbai,  
Dated : 25th August, 2010

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

		Year ended 31.03.2010 Rupees	Year ended 31.03.2009 Rupees
<b>A. Cash Flow arising from Operating Activities :</b>			
Net profit before tax and extraordinary items		6,17,19,950	5,27,30,154
<b>Add back :</b>			
a) Depreciation charge	3,72,11,188	3,78,79,432	
b) Interest charge	5,75,81,360	4,78,59,706	
c) Loss on sale of assets	-	52,13,429	
d) Loss on sale of Investment	-	23,43,002	
		<u>9,47,92,548</u>	<u>9,32,95,569</u>
		15,65,12,498	14,60,25,723
<b>Deduct :</b>			
a) Dividend income	5,06,127	4,28,107	
b) Interest income	99,88,542	91,79,992	
c) Profit on sale of assets	1,83,82,566	1,05,13,569	
		<u>2,88,77,235</u>	<u>2,01,21,668</u>
		12,76,35,263	12,59,04,055
Operating Profit before working capital changes			
<b>Deduct :</b>			
a) Increase in trade & other receivables	2,90,38,164	-	
b) Decrease in trade & other payables	-	5,99,31,535	
		<u>2,90,38,164</u>	<u>5,99,31,535</u>
		9,85,97,099	6,59,72,520
<b>Add :</b>			
a) Increase in trade & other payables	5,88,66,376	-	
b) Decrease in trade & other receivables	-	2,54,10,808	
		<u>5,88,66,376</u>	<u>2,54,10,808</u>
		15,74,63,475	9,13,83,328
Cash inflow/(outflow) from operating activities			
<b>Deduct : Direct taxes paid (net)</b>	7,32,50,657	6,57,70,455	
		<u>7,32,50,657</u>	<u>6,57,70,455</u>
		8,42,12,818	2,56,12,873
Net cash inflow/(outflow) from operating activities			
<b>B. Cash Flow arising from Investing Activities :</b>			
<b>Outflow :</b>			
a) Acquisition of fixed assets	2,85,44,774	23,00,68,419	
b) Purchase of long term investments	19,501	11,75,31,045	
c) Increase in Capital work in progress	1,97,982	-	
		<u>2,87,62,257</u>	<u>34,75,99,464</u>
<b>Inflow:</b>			
a) Sale of fixed assets	2,54,30,500	2,09,01,532	
b) Interest received	91,28,657	75,15,689	
c) Dividend received	5,06,127	4,28,107	
d) Sale of investments	-	16,67,58,532	
e) Option money deposit	-	1,71,25,000	
f) Fixed Deposits matured	1,35,82,397	6,95,30,828	
g) Capital Reserve	-	58,24,054	
		<u>4,86,47,681</u>	<u>28,80,83,742</u>
		1,98,85,424	(5,95,15,722)
Net cash inflow/(outflow) from investing activities			



## 48th ANNUAL REPORT 2009-2010

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

		Year ended 31.03.2010 Rupees	Year ended 31.03.2009 Rupees
<b>C. Cash Flow arising from Financing Activities :</b>			
<b>Inflow :</b>			
a) Proceeds from public deposits	49,23,000	—	
b) Proceeds from overdrafts.	1,40,74,101	7,34,48,349	
c) Proceeds from Other Loans	3,79,913	1,92,18,424	
		<b>1,93,77,014</b>	9,26,66,773
<b>Outflow:</b>			
a) Interest paid	5,71,21,730	4,79,62,633	
b) Borrowings paid off	85,47,138	—	
c) Fixed deposits repaid	—	69,78,000	
d) Dividend paid	1,50,79,412	1,50,79,412	
e) Hire Purches Loan Repaid (Net off procurement)	1,37,26,003	21,33,041	
f) Dividend Tax paid	25,62,746	25,62,746	
		<b>9,70,37,029</b>	7,47,15,832
Net cash inflow/(outflow) from financing activities		<b>(7,76,60,015)</b>	1,79,50,941
Net increase in cash/cash equivalents (A + B + C)		<b>2,64,38,227</b>	(1,59,51,908)
<u>Add:</u> Balance at the beginning of the year		<b>7,69,86,912</b>	9,29,38,820
Cash/cash equivalents at the close of the year		<b>10,34,25,139</b>	7,69,86,912

Note:- Previous year's figures have been restated/recasted, wherever necessary, to conform to this year's classification.

For and on behalf of the Board,

**A. A. PATEL**  
Executive Vice Chairman

**P. S. G. NAIR**  
Director

**M. L. UKIDAVE**  
Chief Financial Officer

**N. B. AKOLKAR**  
Company Secretary

Mumbai,  
Dated : 25th August, 2010

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No. 

			1	2	3	9	6
--	--	--	---	---	---	---	---

State Code 

1	1
---	---

Balance Sheet Date 

3	1	0	3	2	0	1	0
---	---	---	---	---	---	---	---

  
Date Month Year

**II. Capital Raised during the year (Amount in Rs. Thousands)**

Public Issue 

N	I	L
---	---	---

 Right Issue 

N	I	L
---	---	---

Bonus Issue 

N	I	L
---	---	---

 Private Placement 

N	I	L
---	---	---

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities 

1	2	6	3	3	6	8
---	---	---	---	---	---	---

 Total Assets 

1	2	6	3	3	6	8
---	---	---	---	---	---	---

**Sources of Funds**

Paid-up-Capital 

1	5	1	2	4	2
---	---	---	---	---	---

 Share Warrant Application Money 

			N	I	L
--	--	--	---	---	---

Reserves and Surplus 

7	0	4	2	3	8
---	---	---	---	---	---

 Secured Loans 

2	4	1	5	0	8
---	---	---	---	---	---

Deferred Payment Liability 

3	7	1	2	8
---	---	---	---	---

 Unsecured Loans 

7	7	8	6	1
---	---	---	---	---

Net Deferred Tax Liability 

5	1	3	9	1
---	---	---	---	---

**Application of Funds**

Net Fixed Assets 

4	3	7	8	6	3
---	---	---	---	---	---

 Investments 

4	0	3	9	7
---	---	---	---	---

Net Current Assets 

7	8	5	1	0	8
---	---	---	---	---	---

Accumulated Losses 

N	I	L
---	---	---

 Miscellaneous Expenditure 

N	I	L
---	---	---

**IV. Performance of Company (Amount in Rs. Thousands)**

Turnover (Total Income)  

3	5	0	6	7	8	5
---	---	---	---	---	---	---

+ - Profit (Loss) Before Tax

√	
---	--

6	1	7	2	0
---	---	---	---	---

(Please tick Appropriate box (+) for profit, (-) for loss)

Earnings Per Share in Rs. 

3	.	0	3
---	---	---	---

Total Expenditure  

3	4	4	5	0	6	5
---	---	---	---	---	---	---

+ - Profit (Loss) After Tax

√	
---	--

4	5	6	2	3
---	---	---	---	---

Dividend rate % Equity 

1	0
---	---

 Preference 

-	-
---	---

**V. Generic Names of Three Principal Products/Service of Company (As per monetary terms)**

Item Code No.(ITC Code)

N	.	A
---	---	---

(i) 

T	R	A	N	S	P	O	R	T	A	T	I	O	N
O	F		G	O	O	D	S						

N	.	A
---	---	---

(ii) 

A	I	R	F	R	E	I	G	H	T				
---	---	---	---	---	---	---	---	---	---	--	--	--	--

N	.	A
---	---	---

(iii) 

C	A	R	G	O									
---	---	---	---	---	--	--	--	--	--	--	--	--	--

For and on behalf of the Board,

**A. A. PATEL**

Executive Vice Chairman

Mumbai,

Dated : 25th August, 2010

**P. S. G. NAIR**

Director

**M. L. UKIDAVE**

Chief Financial Officer

**N. B. AKOLKAR**

Company Secretary

August 25, 2010

Dear Shareholder(s)

**Sub.: NECS Mandate / Bank account details to be submitted by shareholders.**

Securities and Exchange Board of India (SEBI) has directed the Companies to remit the dividend to their shareholders by way of National Electronic Clearing Service (NECS). If a shareholder does not opt for the NECS then the Company is required to print the bank account details of the shareholder on the dividend warrant.

We have the NECS facility for our shareholders and the coverage of the facility depends upon the response of shareholders.

The dividend of shareholders who have decided to opt for the NECS facility, will be directly credited to their bank account of which details are submitted by them. An intimation will be separately sent to shareholders giving the details of the credit of dividend, after the same is credited to their bank accounts.

If you decide to avail of the NECS facility, you are requested to fill up the enclosed 'NECS Mandate form' and send the same on or before 24th September 2010 to your Depository Participant (DP) in case you hold the shares of the Company in the dematerialized form AND to the Share Transfer Agents of the Company if you hold the shares of the Company in the physical form.

Even if you decide not to avail of the NECS facility to be extended by the Company, you are still requested to fill up the enclosed 'Bank Account Details Mandate form' and send the same on or before 24th September 2010, to the Share Transfer Agents of the Company, so that your bank account details can be printed on your dividend warrant to avoid fraudulent encashment.

Thanking you,

Yours' faithfully,

**For PATEL INTEGRATED LOGISTICS LIMITED**

**(NITIN B. AKOLKAR)**

Company Secretary



## NECS MANDATE FORM

To,  
Computronics Financial Services (I) Ltd.  
Unit : Patel Integrated Logistics Ltd.  
No.1, Mittal Chambers,  
Nariman Point,  
Mumbai – 400 021.

Dear Sirs,

### Re.: Payment of Dividend through NECS (NECS Mandate Form)

I/We hereby give my/our mandate to credit my/our Dividend on the shares held by me/us under the below mentioned folio, directly to my/our bank account through the National Electronic Clearing Service (NECS).

The details of my/our bank account for direct credit under NECS are given below:

1.	Name of the first / Sole shareholder (IN BLOCK LETTERS)	
2.	Folio No. (Use separate form for each folio)	
3.	Name of the Bank (full)	
4.	Bank Branch identification	
5.	Address and telephone no. of the Bank / Branch	
6.	9 digit code no. of the Bank and Branch as appearing on the MICR Cheque issued by the Bank	
7.	Tick the type of Account of which code is given above	<input type="checkbox"/> a) Savings <input type="checkbox"/> b) Current <input type="checkbox"/> c) Cash Credit
8.	Bank account no. as appearing on the cheque book	
9.	Bank ledger no. / bank ledger folio no., if any, as appearing on the cheque book	

I/We enclose a blank cancelled cheque / xerox copy of cheque to enable you to verify the details of the bank account.

I/We hereby declare that the particulars given hereinabove are correct and complete. If any transaction is delayed or is not effected at all because of incomplete or incorrect information, I/We will not hold the Company/the user institution/bank responsible for the same. I/We undertake to inform any subsequent changes in the above particulars before the relevant book closure date(s). I/We understand and agree that, the above details shall be maintained by you till I/We hold the shares in physical mode under the captioned folio(s). I/We hereby agree to avail the NECS facility provided by RBI and implemented by the Company.

Place :

Date :

(Signature of the Sole/First Shareholder)

**BANK ACCOUNT DETAILS MANDATE FORM**  
(for shareholders who do not want to avail the NECS facility)

To,  
Computronics Financial Services (I) Ltd.  
Unit : Patel Integrated Logistics Ltd.  
No.1, Mittal Chambers,  
Nariman Point,  
Mumbai – 400 021.

Dear Sirs,

**Re.: Bank account details for printing on the dividend warrants**

I/We hereby give details of my/our bank account which may be printed on my/our dividend warrant / other payment instrument for dividend, as we wish our dividend to be deposited in / credited to the said account.

1.	Name of the first / Sole shareholder (IN BLOCK LETTERS)	
2.	Folio No. (Use separate form for each folio)	
3.	Name of the Bank (full)	
4.	Bank Branch identification	
5.	Address and telephone no. of the Bank / Branch	
6.	Tick the type of Account	a) Savings b) Current c) Cash Credit
7.	Bank account no. as appearing on the cheque book	

I/We hereby declare that the particulars given hereinabove are correct and complete. If any transaction is delayed or is not effected at all because of incomplete or incorrect information, I/We will not hold the Company or the bank responsible for the same. I/We undertake to inform any subsequent changes in the above particulars before the relevant book closure date(s).

Place :

Date :

\_\_\_\_\_  
(Signature of the Sole/First Shareholder)



## ATTENDANCE SLIP

Registered Office : "Patel House", 5th Floor, Plot No.48, Gazdarbandh,  
North Avenue Road, Santacruz (W), Mumbai - 400 054.

L. F. No./ DP & Client ID No	
No. of Shares held	

I/We hereby record my/our presence at the 48th Annual General Meeting of the Company held at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (W), Mumbai - 400 049 on Tuesday, September 28, 2010 at 11.00 a.m.

Name of the Shareholder (In Block Letters)	
Signature of the Shareholder	
Name of the Proxy (In Block Letters)	
Signature of the Proxy	

### NOTES :

1. You are requested to sign and hand over this slip at the entrance of the meeting venue.
2. If you intend to appoint proxy to attend the Meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding Meeting.
3. Members are requested to bring their copy of the Annual Report with them to the Meeting as additional copies of the same will not be made available at the Meeting.

----- TEAR HERE -----



## FORM OF PROXY

Registered Office : "Patel House" 5th Floor, Plot No.48, Gazdarbandh,  
North Avenue Road, Santacruz (W), Mumbai - 400 054.

L. F. No./ DP & Client ID No	
No. of Shares held	

I/We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district of \_\_\_\_\_  
\_\_\_\_\_ being a member/members of the above named Company hereby appoint  
\_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district of \_\_\_\_\_  
\_\_\_\_\_ or failing him \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
\_\_\_\_\_ as my/our proxy

to vote for me / us on my / our behalf at the 48th Annual General Meeting of the Company to be held on Tuesday, September 28, 2010 at 11.00 a.m. at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (W), Mumbai - 400 049 and at any adjournment or adjournments thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

Please  
affix 1 rupee  
Revenue  
Stamp

Signature

Note : This form in order to be effective, shall be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.



When you'd rather deal with  
one transporter for nationwide  
deliveries



In the transport industry there are no compromises, be it small consignments or large ones they have to be delivered on time, and intact. Our network of over 1,000 stations nationwide and a 3000 strong trained workforce, all backed by top of the line IT allow us to do exactly that. Small wonder that today we are the leaders in this field and the trust of over 75,000 customers gained over 50 years is the fuel that drives us!



Patel House, 48 Gazdar Bandh,  
North Avenue Road,  
Santacruz (West), Mumbai 400 054.  
Website: [www.patel-india.com](http://www.patel-india.com)

Contact-Toll Free: 1800 22 3666 or SMS 'PILL' to 56161





## **PATEL INTEGRATED LOGISTICS LTD.**

Patel Integrated Logistics Ltd. provides unified solutions through surface, air and sea transportation.

Established in 1959, Patel Roadways, the company's flagship division is one of the leading surface logistics and transportation provider, having an extensive network of over 500 stations across the country, employing over 1000 people and moves cargo worth Rs. 120 billion annually for more than 75,000 satisfied customers.

Investment in IT, state-of-the-art tracking systems coupled with containerization of its entire fleet, enables Patel Roadways to maintain its distinctive cutting edge over competitors, offering value added services to its customers.

Patel Roadways FTL takes care of the full truckloads at the national level in metric ton capacities of 3, 4.5, 6, 9, 16(Taurus) and thereafter in trailers of specific sizes. Patel Roadways FTL loads are point-to-point hard freight options catering to corporates and traders at more than 400 delivery stations countrywide.

Patel Retail, a division of Patel Integrated Logistics Ltd., offers premium door-to-door Express Cargo Service with over 500 branches, serving more than 400 delivery stations, covering the length and breadth of the country. With markets moving towards smaller loads, Patel Retail adds extra convenience by saving valuable time and money, facilitating logistics and supply chain management. Customers benefit by door-to-door pick-up and delivery, apart from the time bound and rapid movement of goods through dedicated vehicles.

Besides moving heavy-duty goods like metal sheets, machinery and farm equipments, Patel Roadways also renders movements of engineering products, textiles, auto parts, pharma, computer hardware and peripherals among others along with Patel Retail. With a committed transit schedule and an online tracking system backed by full-fledged IT support, Patel Retail is truly poised to set the pace of the express cargo industry.

Patel Roadways specializes in hard freight sundry shipments. Since it has a national network with a regional reach, it moves goods at long, medium as well as short routes on a pan India level. Patel Roadways provides customized solutions according to the client's requirements in sundry loads. Online tracking of consignments and professional assistance makes them a leader in hard freight sundry distribution.

Through its POBC division, the company provides On Board Courier and Air Freight Services across India and Air Cargo Consolidation Services for Domestic and International Courier Services. Through strategic tie-ups with the world's leading wholesale couriers, its network spans the Indian sub-continent as well as Europe, North America, the Middle East and South-East Asia. Its IATA approved division; Patel Airfreight offers domestic/international cargo with high performance standards, speed and reliability.

To,



If undelivered, please return to :  
**COMPUTRONICS FINANCIAL SERVICES (INDIA) LTD.**  
Unit : Patel Integrated Logistics Ltd.  
No. 1, Mittal Chambers,  
Nariman Point,  
Mumbai 400 021.