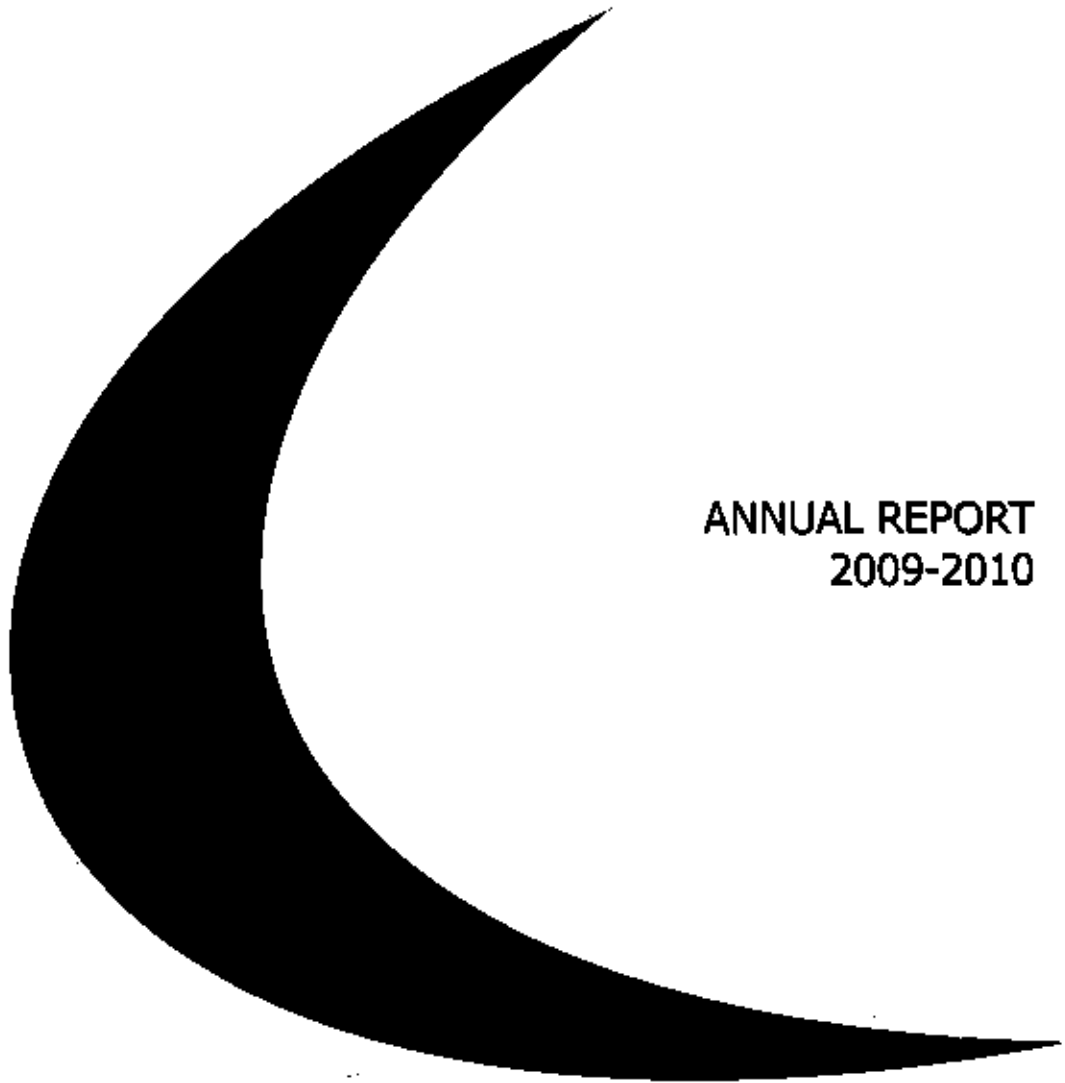




**COASTAL ROADWAYS LIMITED**



**ANNUAL REPORT  
2009-2010**



**Shri Madan Gopal Todi - Founder Chairman & Mentor**

**BOARD OF DIRECTORS**

**Shri Kanhaiya Kumar Todi - Chairman & Managing Director**

Dr. V.C Shah

Shri Dipak Dey

Shri Ravi Agarwalla

Shri Beni Gopal Daga

Shri Om Prakash Kanoria

Shri Sushil Kumar Todi

Shri Ashok Kumar Todi

Shri Udit Todi

**EXECUTIVE**

**Shri Raja Saraogi - President**

**AUDITORS**

Agarwal Maheswari & Co.

Chartered Accountants

2B, Grant Lane

Kolkata-700 012

**SHARE TRANSFER AGENTS**

S. K. Computers

34/1A Sudhir Chatterjee Street

Kolkata-700 008

Tel No. : 2219-6797

**REGISTERED OFFICE**

4 Black Burn Lane

Kolkata-700 012

**CORPORATE OFFICE**

1/1 Camac Street

Kolkata-700 016

Tel. No. : 2217-2222/23/24

E-mail : [coastalgroup@vsnl.net](mailto:coastalgroup@vsnl.net)

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**NOTICE**

Notice is hereby given that the Forty Second Annual General Meeting of COASTAL ROADWAYS LIMITED will be held as under :

<b>Venue</b>	<b>Calcutta Chamber of Commerce Stephen Court 18H, Park Street Kolkata-700 071</b>
<b>Day</b>	<b>Friday</b>
<b>Date</b>	<b>10<sup>th</sup> day of September, 2010</b>
<b>Time</b>	<b>11: 00 A.M.</b>

To transact the following business :

**Ordinary Business :**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2010 together with the Balance Sheet as at that date, the Reports of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri Sushil Kumar Todi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Beni Gopal Daga, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s Agarwal Maheswarl & Co., Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Regd. Office :  
4, Black Burn Lane  
Kolkata-700 012

By Order of the Board of Directors  
For Coastal Roadways Limited

The 27<sup>th</sup> day of May, 2010

(Raja Saraogi)  
President

**Notes :**

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the time of the meeting.
- b) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 4<sup>th</sup> September 2010 to Friday 10<sup>th</sup> September, 2010 (both days inclusive).
- c) Brief resume of Directors proposed to be re-appointed at the 42nd Annual General Meeting:
  1. Shri Sushil Kumar Todi, B.Com (Hons.) FCA, aged about 53 years has been associated with the Company since last 15 years. He has over 28 years of experience in Road Transport Industry and the Company has immensely benefited from his expertise in Financial Management, Business Administration, Express Logistics and Resource Development and Planning. The Board recommends the re-appointment of Shri Sushil Kumar Todi as a Director of the Company.
  2. Shri Beni Gopal Daga, an industrialist aged about 54 years has vast experience of 35 years in auto parts manufacturing & engineering industry. He has been member of various forums representing automobile and related industries at national level. The Company is expected to immensely benefit from his knowledge relating to the automobile industry in particular and efficient management skills in general. The Board recommends the re-appointment of Shri Beni Gopal Daga as Director of the Company.
- d) Members desiring any information about accounts or otherwise, are requested to write to the Company, at least 10 days in advance of the Annual General Meeting, to facilitate compilation thereof.
- e) Those Members who have so far not encashed their dividend warrants for the financial years ended 31.03.2008 & 31.03.2009, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government, pursuant to Section 205C of the Companies Act, 1956 on 11.09.2015 & 01.09.2016 respectively. Please note that as per Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the ~~Investor Education and Protection~~ Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date dividend became due for payment and no payment shall be made in respect of such claims.

- f) Notify immediately, change of address, if they are holding shares in physical form and to update such details with their respective Depository Participants (DPs), if they are holding shares in electronic form.
- g) Bring the copy of the Annual Report along with them and to produce the Attendance Slip at the entrance of the Meeting Hall.
- h) Members / Beneficial owners are requested to quote their Folio No./DP and Client ID Nos., as the case may be, in all correspondence with the Company.

Regd. Office:

4, Black Burn Lane  
Kolkata - 700 012

By Order of the Board of Directors

For Coastal Roadways Limited

(Raja Saraogi)  
President

The 27<sup>th</sup> day of May, 2010

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 42nd Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2010

<b>OPERATING RESULTS</b>	<b>2009-2010 (Rs. In Lacs)</b>	<b>2008-2009 (Rs. In Lacs)</b>
Freight Earnings	<b><u>7837.20</u></b>	<b><u>6463.92</u></b>
Net Earnings from operations	<b><u>85.69</u></b>	<b><u>69.58</u></b>
Provision for Taxation	<b><u>16.96</u></b>	<b><u>8.44</u></b>
Net Surplus	<b><u>68.73</u></b>	<b><u>61.14</u></b>
Balance brought forward from previous year	<b><u>13.18</u></b>	<b><u>11.30</u></b>
	<b><u>81.91</u></b>	<b><u>72.44</u></b>
Appropriations :		
Transfer to General Reserve	<b><u>35.00</u></b>	<b><u>35.00</u></b>
Proposed Dividend & Tax thereon	<b><u>33.85</u></b>	<b><u>24.26</u></b>
Balance carried forward to next year	<b><u>13.06</u></b>	<b><u>13.18</u></b>
	<b><u>81.91</u></b>	<b><u>72.44</u></b>

**PERFORMANCE :**

During the year under review the Indian economy came out of the unprecedented global economic meltdown and business turbulence and fared better than most developed economies, although its growth was a bit muted. The performance of the industrial sector has markedly improved. The country is now exhibiting signs of resurgence, despite contradiction in exports and a subnormal monsoon in 2009.

Your Company continued its growth trajectory and achieved an impressive growth of 21% in business volumes thereby recording its Freight Earnings at Rs. 7837 lacs as against Rs. 6464 lacs in the previous year. The PBT was recorded with a 23% increase at Rs. 86 lacs as against Rs. 70 lacs in the previous year. The company maintained its commitment to Road-Safety and was recognized by several customers and associations for its Best Practices and Innovative Solutions.

The Year also witnessed stiff competition from railroad transporters due to price benefits and faster delivery benefits embedded in the railway operations. Your Directors have taken adequate steps to

focus on specialized areas like End to End Solutions, 3PL Services and dedicated fleet operations to ensure adequate growth of the company. With private demand expected to pick up in FY11, industrial production growth should remain buoyant thereby generating positive opportunities for the road freight sector. In line with its philosophy of offering dedicated and innovative solutions to its customer and reduce dependence on outsourced vehicles the company had acquired 15 new heavy commercial vehicles in the year under review and has also acquired 40 vehicles in ongoing financial year.

**DIVIDEND :**

The Directors recommend for consideration of the shareholders at ensuing annual general meeting, payment of Dividend @ 7% for the year ended 31<sup>st</sup> March 2010. The amount of dividend and the tax thereon aggregates to Rs.34 lacs.

**FINANCE AND ACCOUNTS :**

The company's performance during the year reflects the constant focus of the management which led to savings in both direct and indirect operational costs. The average working capital requirements was higher compared to the previous year due to tighter liquidity conditions prevalent. The company could cope up with the adverse situation by effectively managing disbursement norms of its trade payables. Borrowings from Institutional lenders for fleet acquisition was serviced in committed manner. The shareholders funds recorded for Rs.1167 lacs.

**DEPOSIT :**

No Public Deposits were invited or accepted during the year under report.

**AUDITORS :**

M/s. Agarwal Mahaswari & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

**AUDITORS REPORT :**

The report of the Auditors is self-explanatory and does not call for any further comments from the Directors.

**INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULE 1988****A. Conservation of Energy :**

The Company's operation involve no energy consumption.



- B. Form of Disclosure of particulars wrt absorption of Technology and Development of R & D :
- i) Research and Development - The Company do not have any R & D Division and Company's Operations do not require this type of establishment.
  - ii) Technology absorption, adoption and innovation - The Company has not imported any technology due to its nature of operation.

**DIRECTORS :**

Shri Lallan Kumar Todi, resigned from the Board with effect from 16.01.2010, the Board places on record its sincere appreciation.

Shri Sushil Kumar Todi and Shri Beni Gopal Daga retire from the board by rotation at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Information on the Directors eligible for reappointment as required under clause 49 of the Listing Agreement with Stock Exchanges is disclosed in the profiles of Directors under item Nos. 3 and 4 forming part of Notice dated 27th May 2010.

**PERSONNEL :**

The true index to a Company's success is not only its turnover and quantum of profits but its ultimate resource. The Directors sincerely thank the employees at all levels for their dedicated services and co-operation which enabled the Company to perform satisfactorily. There are no employees drawing remuneration of Rs. 2,00,000/- a month or Rs. 24,00,000/- a year and therefore no particulars in terms of Section 217 (2A) of the Companies Act, 1956 are attached to this report.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Statement under sub-section (2AA) of Section 217 of the Companies Act, 1956 :

In the preparation of the Annual Accounts :

- i) the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given.
- ii) the Directors have selected such accounting policies and applied them consistently and

made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.

- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the Accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE :**

Corporate Governance Report and Management Analysis and Discussion Report pursuant to Clause 49 of the Listing Agreement with Stock Exchanges are provided in separate annexures to this report.

**ACKNOWLEDGMENTS :**

The Board wish to place on record their appreciation towards the contributions made by all employees of the company and their gratitude to the Company's valued customers, bankers, vendors, and shareholders for their continued support and confidence in the company.

**On behalf of the Board of Directors**

*K K Todi*

Place : Kolkata  
 Date : the 27<sup>th</sup> day of May, 2010

**( K K Todi )  
 Chairman & Managing Director**

## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC PERSPECTIVE

The GDP growth for the year under review is estimated at 7.2%. The performance of the Industrial sector had marginally improved. However, there were still areas that caused concern. Agricultural output declined as a result of the weak monsoon and inflationary pressures, particularly of food prices hampered growth prospects. Operating conditions were highly competitive and margins were under tremendous pressure. A combination of reviving economic growth forecast about normal monsoons is to certainly translate into significant growth in the Road Transport Industry.

### ROAD FREIGHT TRANSPORT SECTOR

The Indian Road freight transport sector continues to remain unorganised and fragmented. The poor road infrastructure conditions, multiple check post for octroi and sales tax and unnecessary barrier in various states, delays, bureaucratic hurdles and other numerous problems make the freight industry unproductive and outmoded. The implementation of Service Tax on goods transport agencies have further compounded the problems.

The freight rates in the country were severely affected by the political disturbances in various states, and above average production of certain agricultural products. Intense competition from unorganised players, the growing trend of reverse auctions and high operating costs had an adverse impact on the working of the road transport segments.

The road freight sector is poised for major changes in the coming years due to construction of a National Highway network, the road density and quality are on the rise. The two major sections - the Golden Quadrilateral and the North-South-East-West corridors are expected to serve as new life line for road transport industry. However during the past financial years there has been a nation-wide slowdown in road development work and it is expected to continue till 2012. As such the benefits of running heavy payload vehicles and better road qualities that could help in reducing per tonne-km transportation cost are still far.

### BUSINESS STRATEGY & OPPORTUNITIES

The process of economic reforms has brought the global markets closer to the Indian economy. The customers now have access to better quality products & services at competitive rates. Globalisation and competition have given emphasis to better supply chain management, which in turn has created a market for third party logistics (3PL) service providers. A growing number of customers are outsourcing their Logistic to 3PL providers in order to concentrate on their core competencies. Your company offers integrated logistics solutions using multi-modal transportation including state of the art warehousing facilities, customised customer services and other value added services. Your Company's advanced internet based consignment tracking and enterprise wide on-line computerised systems gives it a superior edge over its rivals.

Logistics solutions have emerged as a new growth opportunity for the express cargo industry. Manufacturing companies are increasingly outsourcing their logistics requirements from third party logistics providers. Express companies world-wide, with their inherent know-how and distribution management skills coupled with warehousing facilities and technology leanings, are in the best position to offer such value added services.

On the other hand the unorganised/semi-organised segment of the express cargo industry will face pressure on margins because of unfavorable pricing environment. The unorganised sector is mostly into the documents business, where the margins are already squeezed. This segment is heavily populated with a number of players. The entry barriers in the documents business is low and coupled with the internet revolution, the importance of quick delivery of documents has lost its significance.

**Logistics** — The cargo and logistics companies have identified opportunities to take up integrated logistics solutions for clients. This outsourcing would enable manufacturing companies to concentrate on their primary activities, viz, production and marketing. Outsourcing inventory management will help the customers to have lower capital tie-up, thus reducing the associated risks.

**Value added services** — In an industry where differentiation is easily replicated, the cargo companies need to innovate new techniques to attract customers. In this endeavor, they add value to the core product to differentiate themselves from their competitors.

## RISKS AND CONCERNS

1. All India cargo companies face threat from local players who act as niche players at state and zonal level. Because of lack of regulations, the industry is crowded with too many players, which has led to unhealthy price cutting, discounts, etc. On the other hand, the entry of MNCs has added another dimension. They enjoy the patronage of MNC customers, better equipped as they are with the latest technology and skilled and trained manpower.

There is always the threat of the industry being affected by the economic slowdown. However, with the expected revival of the economy, implementation of WTO guidelines, the industry is expected to show better performance.

2. Entry of large multinationals, by way of joint ventures and/or through 100% subsidiaries.
3. Large share of unorganised and semi-organised segment.
4. **Sensitivity to economy** — this industry is highly dependent on the overall economic scenario. In the mid 80's, the industry grew at a rapid pace at 30-35%. This growth rate was sustained in the 90's. But due to the general slowdown of the world economy and of the Asian economy in particular, there had been a slowdown in this industry as well, and the growth rate was sluggish around 10%.

5. These factors potentially expose the Company to any significant fluctuations in the state of the Indian economy. The Company's operations have historically shown significant resilience to the normal ups & downs of the economic and industry cycles, with demand for its services continuing to grow at healthy rates even at times of an overall economic slowdown.
6. All the revenues from the existing operations are derived from services rendered in the Indian markets. The Company has also been making and contemplating investments in attractive segments.
7. Your Company's highly integrated, and competitive operations, leading positions in domestic markets, and thrust on value addition have proved to be an effective way to mitigate the impact of generic industry factors.

Your Company continue to follow suitable strategies to positively modify its risk profile by eliminating and significantly reducing key business risks and developing and implementing strategies to achieve that maximum possible degree of insulation from broad macroeconomics risks.

## **OUTLOOK**

Your Company has drawn plans to

Consolidate its activities relating to logistics and to create a strong base of operations.

Devise strategies to bring operational efficiency, cost effective services and to face economic slowdown and competition.

Fine tune the operating structure, and improve the customer focus and increase the Company's competitive advantage. The new structure usher an era of efficiency and growth.

Your company will continue to focus on its key businesses by exploiting its core competence. In order to be a leading edge Company, a well-crafted strategy has been adopted entailing capitalising on the strong brand equity, optimising costs, and improving operational efficiencies at all the levels. These endeavors should facilitate superior margins, despite the forecast of a challenging business environment in the immediate future.

Your Company is in advance process of introducing cold chain supply management i.e., cold storage moving on wheels. It is also exploring the carriage of fruits and flowers from the place of growth/cultivation to ultimate market of consumption by introducing specialised refrigerated vehicles. It is fairly expected to make a good break through in this area. Your company has also moved on its focus from normal payload capacity vehicles to vehicles with payload of 40 MT to reduce the per tonne-km running cost and provide more effective service to its clients.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has an internal control system commensurate with its size and nature of business

and to meet the following objectives :

Efficient utilisation and protection of resources.

Compliance of statutory and internal policies and procedures.

Completeness, accuracy, promptness of the reports generated for all the transactions in the Company.

## **HUMAN RESOURCE MANAGEMENT**

Your Company believes that constant training and development, and continuous learning, is necessary for ensuring retention of the best talent besides providing the Company a sustainable platform for growth in the business environment.

Training programmes have been devised to develop cross-functional skills. The objective is to provide your Company's people with an opportunity to address areas, not only relevant to their job profile, but also for their all round development.

## **OVERVIEW**

Large number of players, international as well as local, are setting up their shops in Logistics and hope to get a share of this emerging new economy business.

Your company has an edge over other players, by virtue of having strong information technology back-up and better understanding of Indian roads, local laws, customer needs etc. Your Company, being a pioneer and trendsetter in road transport and logistic industry, will always play a vital role in this industry.

## **SOCIAL RESPONSIBILITIES**

Your Company always believes that organisational growth objective is always linked with the overall development of the society and the community at large .

Your Company has introduced a Drivers Group Accident Policy (Rashta Apatti Kavach Policy) to cover all the drivers of vehicles attached to the Company. This is a goodwill gesture to insure them in case of any unforeseen event, is being undertaken as part of the corporate social responsibility. The company has made provisions for rest rooms, sanitation and medical aids for drivers at all its major transshipment hubs across the routes on which the vehicles of the company ply. Special efforts have been initiated in collaboration with several NGOs to spread the awareness about HIV Aids amongst drivers who are most prone to this disease.

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY

In tune with the Company's overall philosophy of excellence in all spheres of its operations it has consistently endeavored to attain the highest standards of Corporate Governance. The company firmly believes in the values of transparency, professionalism, accountability and equity in all facets of its dealings with its customers, suppliers, employees, lenders, shareholders and the society.

### 2. BOARD OF DIRECTORS

The Board is headed by Executive Chairman and comprises of persons with considerable industrial and professional experience. During the year under review 6(six) meetings were held on 24.04.2009, 25.6.2009, 30.07.2009, 02.09.2009, 29.10.2009 & 16.01.2010. The detailed particulars of the Directors and their attendance is as under :

Director	Category	Attendance		Other Companies		
		Board Meeting	Last AGM	Member of Board	Member	Chairman
Mr. Kanhaya Kumar Todi	Chairman & Managing Director	6/6	YES	6	-	-
Dr. V.C. Shah	Non-Executive-Independent	3/6	YES	4	7	-
Mr. Dipak. Dey	Non-Executive-Independent	5/6	NO	-	-	-
Mr. Laljan Kumar Todi *	Whole Time Director	0/5	NO	-	-	-
Mr. Sushil Kumar Todi	Whole Time Director	2/6	YES	1	-	-
Mr. Ashok Kumar Todi	Whole Time Director	2/6	YES	2	-	-
Mr. Beni Gopal Daga	Non-Executive-Independent	4/6	NO	4	-	-
Mr. Ravi Agarwalla	Non-Executive-Independent	2/6	NO	-	-	-
Mr. Om Prakash Kanoria	Non-Executive-Independent	5/6	YES	2	-	-
Mr. Udit Todi	Whole Time Director	6/6	YES	4	-	-

\* Resigned w.e.f. 16<sup>th</sup> January, 2010

### 3. AUDIT COMMITTEE

The audit committee comprises of three non-executive directors Mr. Dipak Dey (Chairman), Mr. Om Prakash Kanoria and Dr. V.C. Shah. During the year audit committee met 4 times, Mr. Dipak Dey attended all 4 meetings Mr. Om Prakash Kanoria attended 3 meetings and Dr. V.C. Shah attended 1 meeting.

The terms of reference of the Audit committee cover the matters specified in Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

### 4. REMUNERATION TO DIRECTORS

The details of remuneration paid to the Directors during the year under review :-

Director	Salaries & Perquisites	Sitting Fees
Mr. Kanhaiya Kumar Todi	Rs.7,75,000/-	
Mr. Lalan Kumar Todi	Rs.2,00,000/-	
Mr. Sushil Kumar Todi	Rs.5,20,000/-	
Mr. Ashok Kumar Todi	Rs.6,20,000/-	
Mr. Udit Todi	Rs.6,20,000/-	
Dr. V. C. Shah		Rs. 12,000/-
Mr. Dipak Dey		Rs. 20,000/-
Mr. Beni Gopal Daga		Rs. 16,000/-
Mr. Om Prakash Kanoria		Rs. 20,000/-
Mr. Ravi Agarwalla		Rs. 8,000/-

### 5. SHARE TRANSFER & INVESTOR GRIEVANCE COMMITTEE

In accordance with the Clause 49 Para VI (D) of the Listing Agreement of the Stock Exchanges the Board has unanimously delegated the powers of share transfers to a committee comprising of Mr. Raja Saraogi, President, Mr. Jyotirmay Halder, Compliance Officer and M/s. S.K. Computers, Registrars and Share Transfer Agents in order to expedite the process of Share Transfers, issue of duplicate certificates, and certificates after split/consolidation/renewal and rematerialisation. This committee meets atleast once in a fortnight to expedite all matters as stated earlier.

The Investor Grievance Committee consists of Mr. Kanhaiya Kumar Todi (Chairman) and Mr. Udit Todi. All investor complaints that cannot be settled at the level of Company Secretary, Compliance Officer or Registrars are forwarded to this committee for final settlement. The Committee meetings were held twice during the year and were attended by both the members.

The Company confirms that there were no share transfers pending as on 31.03.2010, and all request for dematerialisation of shares as on that date were confirmed/rejected into the NSDL system.



**6. GENERAL BODY MEETINGS**

The last three Annual General Meetings were held as under :

Financial Year	Date	Time	Location
2006-2007	07.09.2007	11. 00 A.M.	Kolkata
2007-2008	12.09.2008	11. 00 A.M.	Kolkata
2008-2009	02.09.2009	11. 00 A.M.	Kolkata

No special resolutions were required to be put through postal ballot last year nor are placed before the shareholders for approval at the ensuing meeting.

**7. DISCLOSURES**

There were no on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the company at large.

There had been no instance of non-compliance by the company on any matters related to Capital Markets as such no penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority during the last 3 years.

**8. CODE OF CONDUCT**

To emphasize the importance of ethical behaviour and for protection of all stakeholders' interests, code of conduct for Directors and senior management was approved and adopted by the Board at its meeting held on 28th October, 2005.

Declaration by the Managing Director :  
I hereby confirm that :

All Board members and senior managerial personnel have affirmed compliance with code of conduct for the financial year ended 31st March, 2010.

K.K. Todi  
Chairman & Managing Director

**9. MEANS OF COMMUNICATION**

The Quarterly, Half-Yearly and Annual results of the Company are being published in leading financial newspapers in English as well as in regional language. The same is also available at web-site of stock exchange where the company is listed. The Management Analysis & Discussion Report form part of this Annual Report and is also being posted to all shareholders.

## 10. GENERAL SHAREHOLDER INFORMATION

- a) Annual General Meeting is proposed to be held on 10<sup>th</sup> September, 2010, at 11.00 A.M. at Calcutta Chamber of Commerce, Kolkata.
- b) Financial Calendar (tentative)
- |                            |                                  |
|----------------------------|----------------------------------|
| - Annual Results (Audited) | 27 <sup>th</sup> May, 2010       |
| - First Quarter Results    | End of July, 2010                |
| - Annual General Meeting   | 10 <sup>th</sup> September, 2010 |
| - Half Yearly Results      | End of October, 2010             |
| - Third Quarter Results    | End of January, 2011             |
- c) Dates of Book Closure 4<sup>th</sup> September 2010 to 10<sup>th</sup> September 2010
- d) The company's shares are listed on the Bombay Stock Exchange Ltd. (Scrip Code 520131). The ISIN no. allotted to the Equity Shares is INE229E01019
- e) Market Price data  
Monthly high and low quotations as also the volume of shares traded on Bombay Stock Exchange Ltd.

Months	High (Rs.)	Low (Rs.)	Volume
April' 2009	9.82	8.45	5900
May' 2009	10.93	8.31	4500
June' 2009	13.80	11.03	2800
July' 2009	13.45	10.60	6200
August' 2009	13.50	11.59	3700
September' 2009	11.22	9.60	2500
October' 2009	9.97	9.50	800
November' 2009	10.76	9.31	6400
December' 2009	11.29	10.25	800
January' 2010	18.42	11.85	14100
February' 2010	20.00	15.70	3900
March' 2010	16.70	13.20	3700

- f) **Registrars & Share Transfer System**  
 M/s S.K. Computers, 34/1A, Sudhir Chatterjee Street, Kolkata-700 006 are the SEBI Registered Registrars and Share Transfer Agents appointed by the company. All requests for transfers, splits, consolidation, dematerialisation etc. may be sent directly to them or to the company's secretarial department at its corporate office at Kolkata.

## g) Distribution of Share-holding as on 31st March 2010

Shares Held	Shareholder		Shareholding	
	Number	%	Quantity	%
Upto 500	2940	91.47	418700	10.10
501 to 1000	152	4.73	136300	3.28
1001 to 2000	58	1.80	92300	2.23
2001 to 3000	20	0.62	50295	1.21
3001 to 4000	9	0.28	33000	0.80
4001 to 5000	7	0.22	34400	0.83
5001 to 10000	6	0.20	44000	1.06
10001 to 50000	10	0.31	272250	6.57
50001 to 100000	1	0.03	64023	1.54
100001 and above	11	0.34	3001297	72.38
<b>Total</b>	<b>3214</b>	<b>100.00</b>	<b>4146565</b>	<b>100.00</b>
Physical Mode	2125	66.12	588109	14.18
Electronic Mode	1089	33.88	3558456	85.82

## h) Shareholding Pattern as on 31st March, 2010

Category	No. of Shares	%
Indian Promoters	3109315	74.99
Mutual Funds & UTI	500	0.01
Banks, FII and Insurance Cos.	200	0.00
Private Corporate Bodies	99650	2.40
Indian Public	760000	18.33
NRIs/OCBs	176900	4.27
<b>Total</b>	<b>4146565</b>	<b>100.00</b>

- i) Address for Correspondence : Shareholders correspondence should be addressed to the Registrar at address mentioned in (e) above. In case of any difficulty, Shareholders may contact Mr. Raja Saraogi, President at the Company's Corporate Office at 1/1, Camac Street, Kolkata-700 016, Phone : 033-2217 2222 (3 Lines) or Email at [coastalgroup@vsnl.net](mailto:coastalgroup@vsnl.net)

**AUDITORS CERTIFICATE****THE MEMBERS – COASTAL ROADWAYS LIMITED**

We have reviewed the compliance of conditions of Corporate Governance by Coastal Roadways Limited for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The Compliance of conditions of the Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations 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 explanations given to us, the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement with Stock Exchanges have been complied by the company.

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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

**DR. D.R. AGARWAL**

Partner

Membership No. 51484

For and on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants

FRN No. 314030E

Kolkata 27<sup>th</sup> Day of May 2010

**AGARWAL MAHESWARI & CO.**  
**Chartered Accountants**

**AUDITORS' REPORT**

**TO THE MEMBERS OF COASTAL ROADWAYS LIMITED**

1. We have audited the attached Balance Sheet of **Coastal Roadways Limited**, as at 31st March, 2010 and the related Profit & Loss Account and the Cash Flow Statement of the Company 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 conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we have considered appropriate and according to the information and explanations given to us, we set out in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we state that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
  - c) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement referred to in this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in Section 211 (3C) of the Act subject to note 14B(2), for non compliance of Accounting Standard 15 (Revised) for non provision of liability for gratuity.

- a) On the basis of written representations received from the Directors, as on 31st March, 2010, and taken on record by the Board of Directors of the Company, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause(g) or sub-section (1) of Section 274 of the Act.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read in conjunction with Schedules 1 to 14 and subject to note 14B (2) regarding non provisions of gratuity liabilities for Rs.20,54,879/-, 14B (3) for non-provision for diminution in value of long term investments of Rs. 10,13,650/-, 14B (5) for non-provision for doubtful debts for Rs. 6,37,905/- and 14B(7) for non-recognition of Interest Income for Rs. 78,734/-, give a true and fair view :-
- i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2010
- ii) In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date.
- iii) In the case of the Cash Flow Statement, of the cash flows, for the year ended on that date.

**For AGARWAL MAHESWARI & CO.**  
Chartered Accountants  
FRN No. 914030E

**(Dr. D. R. AGARWAL)**  
Partner  
Membership No. : 51484

Dated : The 27<sup>th</sup> Day of May, 2010  
Place : Kolkata

## ANNEXURE TO THE AUDITORS' REPORT

1.
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets.
  - b) As explained to us, the management has physically verified most of the fixed assets during the year, other than patterns lying with third parties for which confirmations have been obtained from parties in most of the cases, and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of the assets.
  - c) The fixed assets disposed off during the period are not substantial and hence it has not affected the going concern assumption.
2.
  - a) The stores and operating supplies have been physically verified during the period by the management. There is no stock with third parties. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion, the procedures of physical verification of stocks and operating supplies followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of stores and operating supplies. The discrepancies noticed on verification between the physical stocks and book stocks were not material having regard to the size of operations of the Company and have been properly dealt with in the books of accounts.
3. The Company has not accepted/granted any loans during the year from/to the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. 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 inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness was noticed in the internal control system.
5.
  - a) According to the information and explanation given to us, contracts or arrangements that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
  - b) Sub-clause (b) is not applicable as there are no such transactions exceeding the value of five lakh rupees in respect of any part.

6. The Company has not accepted any deposits from the public during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the services provided by the Company.
9.
  - a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities and there are no undisputed statutory dues outstanding as at 31st March, 2010, for a period of more than six months from the date they became payable.
10. The Company has not incurred cash loss in the current year and in the immediately preceding financial year and there are no accumulated losses in the Balance Sheet as on 31st March, 2010.
11. Based on the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to any financial institutions or banks.
12. Based on our examination of the records and 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.
13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations received, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
16. According to the information and explanations received, the term loans were applied for the purpose for which the loans were obtained.
17. Based on our examination of the records and according to the information and explanations received, the Company has not applied short-term borrowings for longterm use.



6. The Company has not accepted any deposits from the public during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the services provided by the Company.
9.
  - a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities and there are no undisputed statutory dues outstanding as at 31st March, 2010, for a period of more than six months from the date they became payable.
10. The Company has not incurred cash loss in the current year and in the immediately preceding financial year and there are no accumulated losses in the Balance Sheet as on 31st March, 2010.
11. Based on the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to any financial institutions or banks.
12. Based on our examination of the records and 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.
13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations received, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
16. According to the information and explanations received, the term loans were applied for the purpose for which the loans were obtained.
17. Based on our examination of the records and according to the information and explanations received, the Company has not applied short-term borrowings for longterm use.

18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. As per the information and explanations given to us, no fraud on or by the Company has been noticed during the year.

**For AGARWAL MAHESWARI & CO.**

Chartered Accountants  
FRN No. 314030E

**(Dr. D. R. AGARWAL)**

Partner  
Membership No. : 51484

Dated : The 27<sup>th</sup> Day of May, 2010  
Place : Kolkata

CERTIFIED TO BE TRUE COPY  
For COASTAL ROADWAYS LIMITED

IC K Tod

Director

COASTAL ROADWAYS LIMITED

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

INCOME	Schedule	2010 Rs.	2009 Rs.
Freight & Services (Tax at Source Rs. 965679/- Previous Year Rs. 1263739/-)		783720272	646392269
Other Income (Tax at Source Rs. 93113/- Previous Year Rs. 112900/-)	8	1762499	1097816
		<b>785482771</b>	<b>647490085</b>
<b>EXPENDITURE</b>			
Employment	9	12614789	10410630
Operations	10	720251383	581577970
Administration	11	12141805	11713821
Financial	12	7121384	9497622
Others	13	599900	946365
		<b>762729251</b>	<b>614146408</b>
<b>PROFIT BEFORE DEPRECIATION AND TAX</b>		<b>32753520</b>	<b>33343677</b>
Depreciation		24185254	26385475
Provision for Taxation - Current		1250000	700000
Provision for Taxation - Deferred		588965	(170629)
Provision for Fringe Benefit Tax		-	280004
		<b>6731301</b>	<b>6148827</b>
<b>PROFIT AFTER TAXATION</b>		<b>141568</b>	<b>(34998)</b>
Excess/(Short) IT Provision of earlier years		1318483	1130291
Profit & Loss Account Balance brought forward		<b>8191352</b>	<b>7244120</b>
<b>APPROPRIATIONS</b>			
Transfer to General Reserve		3500000	3500000
Proposed Dividend		2902596	2073283
Corporate Dividend Tax		482085	352354
Balance Carried to Balance Sheet		<b>1306871</b>	<b>1318483</b>
		<b>8191352</b>	<b>7244120</b>

**Notes on Accounts**

Schedule 8 to 13 and Schedule 14 referred to above form part of the Profit & Loss Account in terms of our report of even date

14

**Dr. D. R. AGARWAL**

Partner

Membership No. : 51484

For and on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants

FRN No. 314030E

Kolkata, the 27th day of May, 2010

**Shri Kanhaiya Kr. Todl - Chairman & Managing Director**

**Shri Ravi Agarwalla - Director**

**Shri Dipak Dey - Director**

**Shri Beni Gopal Daga - Director**

**Shri Om Prakash Kanoria - Director**

**Shri Udit Todl - Director**

IC K Trch

Director

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

	Schedule	2010 Re.	2009 Re.
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	41465650	41465650
Reserves & Surplus	2	76271527	71783339
		<b>116737177</b>	<b>113248989</b>
<b>Loan Funds</b>			
Secured Loans	3	60998785	81584992
Unsecured Loans		453000	11467858
		<b>61451785</b>	<b>93052848</b>
Deferred Tax Liability		<b>3470857</b>	<b>2883692</b>
		<b>181659819</b>	<b>209185729</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	4	313096625	295721718
Less: Depreciation		121383925	99068836
		<b>191712700</b>	<b>196652782</b>
Investments	5	<b>1013850</b>	<b>1013850</b>
<b>Current Assets, Loans &amp; Advances</b>			
Sundry Debtors	6	97180089	108886385
Cash & Bank Balances		24981175	15512090
Loans & Advances		22120737	23642348
		<b>144282001</b>	<b>148050821</b>
Less: Current Liabilities & Provisions	7	149003571	131650607
Liabilities		8344951	4880917
Provisions			
		<b>155348532</b>	<b>136531524</b>
<b>Net Current Assets</b>		<b>(11068531)</b>	<b>11519297</b>
<b>Total Assets (Net)</b>		<b>181659819</b>	<b>209185729</b>

**Notes on Accounts**

Schedule 1 to 7 and Schedule 14 referred to above form part of the Balance Sheet in terms of our report of even date.

**Dr. D. R. AGARWAL**

Partner

Membership No. 51494

For and on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants

FRN No. 314030E

Kolkata, the 27th day of May, 2010

Shri Kanhaiya Kr. Todl - Chairman & Managing Director

Shri Ravi Agarwalla - Director

Shri Dipak Day - Director

Shri Bani Gopal Daga - Director

Shri Om Prakash Kanoria - Director

Shri Uditi Todl - Director

IC K Tech

Director

COASTAL ROADWAYS LIMITED

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

	Schedule	2010 Rs.	2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	41465650	41465650
Reserves & Surplus	2	75271527	71783339
		<b>116737177</b>	<b>113248999</b>
<b>Loan Funds</b>			
Secured Loans	3	60998785	81584992
Unsecured Loans		453000	11467856
		<b>61451785</b>	<b>93052848</b>
<b>Deferred Tax Liability</b>			
		3470857	2883892
		<b>181859819</b>	<b>209185729</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	4	313096626	295721718
Less: Depreciation		121383925	99068936
		<b>191712700</b>	<b>196652782</b>
<b>Investments</b>			
	5	1013850	1013850
<b>Current Assets, Loans &amp; Advances</b>			
Sundry Debtors	6	97180089	108896385
Cash & Bank Balances		24981175	15512090
Loans & Advances		22120737	23842346
		<b>144262001</b>	<b>148050821</b>
<b>Less: Current Liabilities &amp; Provisions</b>			
Liabilities	7	149003571	131650607
Provisions		6344961	4880917
		<b>155348532</b>	<b>136531524</b>
<b>Net Current Assets</b>			
		<b>(11086531)</b>	<b>11519297</b>
<b>Total Assets (Net)</b>			
		<b>181859819</b>	<b>209185729</b>

**Notes on Accounts**

Schedule 1 to 7 and Schedule 14 referred to above form part of the Balance Sheet in terms of our report of even date.

**Dr. D. R. AGARWAL**

Partner

Membership No. : 51484

For and on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants

FRN No. 314030E

Kolkata, the 27th day of May, 2010

Shri Kanhaya Kr. Todi - Chairman & Managing Director

Shri Ravi Agarwalla - Director

Shri Dipak Day - Director

Shri Beni Gopal Daga - Director

Shri Om Prakash Kanoria - Director

Shri Udit Todi - Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2010

	(Rs. In Lacs)	
	For the year ended 31.03.10	For the year ended 31.3.09
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit before Tax and extraordinary Items	85.88	69.58
Adjustments for :		
Depreciation	241.65	263.85
Interest/Dividend	(14.94)	(8.48)
Loss on Sale of Assets/Investments	5.13	8.65
<b>Operating Profit before Working Capital changes</b>	<b>317.72</b>	<b>333.60</b>
Adjustments for :		
Trade and other-receivables	117.18	337.24
Loans and Advances	12.44	135.57
Trade Payables	173.53	453.74
<b>Cash generated from operations</b>	<b>620.85</b>	<b>595.87</b>
Direct Taxes Paid	(3.26)	(13.92)
<b>Net Cash from Operating Activities</b>	<b>617.59</b>	<b>571.75</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed Assets	(210.79)	(118.70)
Sale of fixed Assets	13.22	62.79
Interest Received	14.94	8.48
<b>Net Cash used in/received from Investing Activities</b>	<b>(182.63)</b>	<b>(47.43)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Short Term Unsecured Loans	(110.15)	(10.76)
Proceeds from Lease finance borrowings	(205.86)	(471.15)
Payment of Dividend and Dividend Tax	(24.26)	(25.26)
<b>Net Cash used in/received from Financing Activities</b>	<b>(340.27)</b>	<b>(507.17)</b>
<b>Net increase (Decrease) in Cash and Cash equivalents</b>	<b>94.69</b>	<b>17.15</b>
Opening Cash and Cash Equivalents	155.12	137.97
Closing Cash and Cash Equivalents	249.81	155.12

In terms of our report of even date

**Dr. D. R. AGARWAL**

Partner

Membership No. : 51484

For and on behalf of

**AGARWAL MAHESWAR & CO.**

Chartered Accountants

FRN No. 314030E

Kolkata, the 27th day of May, 2010

Shri Kanhaiya Kr. Todl - Chairman & Managing Director

Shri Ravi Agarwalla - Director

Shri Dipak Dey - Director

Shri Beni Gopal Daga - Director

Shri Om Prakash Kanoria - Director

Shri Udit Todl - Director

**Schedule to the Accounts**

	2010 Rs.	2009 Rs.
<b>1. SHARE CAPITAL</b>		
<b>Authorised</b>		
50,00,000 Equity Shares of Rs. 10 each	<b>50000000</b>	<b>50000000</b>
<b>Issued, Subscribed &amp; Paid Up</b>		
41,48,585 Equity Shares of Rs. 10 each fully paid in cash		
Out of above 11,00,700 Equity Shares of Rs. 10 each allotted as fully paid up Bonus Shares by Capitalising Rs. 1,10,07,000 out of Revaluation Reserve.	<b>41485850</b>	<b>41485850</b>
	<b>41485850</b>	<b>41485850</b>
<b>2. RESERVES &amp; SURPLUS</b>		
<b>Securities Premium</b>	<b>19998302</b>	<b>19998302</b>
<b>General Reserve</b>		
As per last Balance Sheet	<b>50488554</b>	<b>46988554</b>
Add : Amount Transferred from Profit & Loss Account	<b>3500000</b>	<b>3500000</b>
	<b>53988554</b>	<b>50488554</b>
<b>Profit &amp; Loss Account Balance</b>	<b>1308671</b>	<b>1316463</b>
	<b>75271527</b>	<b>71783339</b>
<b>3. LOAN FUNDS</b>		
<b>Secured</b>		
<b>Deferred payment credits</b>		
For purchase of vehicles under instalment arrangements against hypothecation thereof	<b>60998785</b>	<b>81584992</b>
	<b>60998785</b>	<b>81584992</b>
<b>Unsecured</b>		
From Body Corporate	<b>453000</b>	<b>11487856</b>
	<b>81451785</b>	<b>93052848</b>

4. FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK									
	Cost As On 01.04.2009		Sales/ Adjustments		Cost as on 31.03.2010		Upto 31.03.2009		For the Year		Adjusted During the Year		Upto 31.03.2010		As on 31.03.2010		As on 31.03.2009	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>OWNED ASSETS :</b>																		
Freehold Land	12706000	-	-	-	12706000	-	-	-	-	-	-	-	-	-	12706000	12706000	-	12706000
Leasehold Land	11926605	367500	-	-	12294105	-	-	-	-	-	-	-	-	-	12294105	11926605	-	11926605
Buildings	34351602	-	-	-	34351602	7408980	-	-	7966911	558931	-	-	7966911	26382681	26382681	26942622	-	26942622
Furniture & Fixings	4223747	187061	-	-	4410808	3106500	-	-	3379784	273284	-	-	3379784	1031024	1031024	1117247	-	1117247
Office Equipments	11419054	81790	-	-	11500844	5882513	-	-	6426961	544348	-	-	6426961	5073983	5073983	5636541	-	5636541
Heavy Commercial Vehicles	20597471	19870000	1157800	-	224629671	77330049	-	-	1021270	1588482	1021270	97897261	126732410	126732410	128567422	-	128567422	
Light Commercial Vehicles	4146481	437665	640216	-	3943930	1434536	-	-	391771	363884	391771	1396749	2547181	2547181	2711845	-	2711845	
Motor Car	10246653	-	1875256	-	8371395	3258880	-	-	445375	795283	445375	3608588	4762807	4762807	6987973	-	6987973	
Scooters	611795	135346	31181	-	721960	516403	-	-	11849	62157	11849	566711	165249	165249	101392	-	101392	
Chain Pulleys	166010	-	-	-	166010	131175	-	-	-	7085	-	139050	26950	26950	34835	-	34835	
TOTAL	296721718	21079362	3704465	-	313096625	99068936	-	-	1970265	24185254	1970265	121363025	191712700	191712700	196652792	-	196652792	
PREVIOUS YEAR	307746139	11669911	23894332	-	296721718	89433919	-	-	16750459	26385475	16750459	99068936	196652782	196652782	218312220	-	218312220	



	2010 Rs.	2009 Rs.
<b>5. INVESTMENTS (AT COST)</b>		
<b>Long Term, Quoted</b>		
Equity Shares of Rs. 10/- each 13400 Incab Industries Ltd. (Market Value Rs. NIL, Previous Year Rs. NIL)	1013850	1013850
	<u>1013850</u>	<u>1013850</u>
<b>6. CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>Current Assets</b>		
<b>Sundry Debtors (Unsecured)</b>		
Debts Exceeding six months Considered Good	1678846	1475394
Considered Doubtful	637905	646018
	<u>2316751</u>	<u>2121412</u>
Other Debts Considered Good	94863336	106774973
	<u>97180089</u>	<u>108896385</u>
<b>Cash &amp; Bank Balances</b>		
Cash in Hand	986816	739825
<b>With Scheduled Banks</b>		
Current Accounts	9417829	10112496
Fixed Deposits	14378085	4558406
Unclaimed Dividend Accounts	196928	101383
	<u>23994356</u>	<u>14772265</u>
	<u>24981175</u>	<u>15512090</u>
Sub Total (A)	<u>122161264</u>	<u>124408475</u>
<b>Loans &amp; Advances (Considered Good)</b>		
Unsecured-Loans	2678106	2927622
Advances recoverable in cash or in kind or for value to be received or pending adjustments	10148612	12741743
Tax Deducted at Source	3661818	3896489
Advance Income Tax	300000	
Advance for Fringe Benefit Tax	580003	920841
Advances to Staff	170884	113197
Advance for purchase of Capital Assets	2736200	1236200
Deposits with Government Departments	646966	646966
Deposits with others	1196149	1157309
Sub Total (B)	<u>22120737</u>	<u>23642346</u>
Grand Total (A + B)	<u>144282001</u>	<u>148050821</u>

7. CURRENT LIABILITIES & PROVISIONS

Liabilities

Sundry Creditors  
 Advance against sale of assets  
 Unclaimed Dividend

2010 Rs.	2009 Rs.
120809443	131549244
28197200	
<del>198923</del>	101383
148003571	131650607

Provisions

Taxation  
 Proposed Dividend and tax thereon

2980280	2455280
3384681	2426837
6344981	4880917
155348532	138531524

8. OTHER INCOME

Interest (Tax deducted at Source  
 Re: 93113/- previous year Rs. 112900/-)  
 Agricultural Income (Net)

1493554	848027
268945	249789
1762499	1097816

9. EMPLOYMENT EXPENSES

Salaries  
 Employer's Contribution to P.F.  
 & Other Funds  
 Staff Welfare Expenses  
 Gratuity

11319036	9002915
687406	601531
608357	552896
-	253288
12614799	10410630

10. OPERATION EXPENSES

Freight & Services  
 Vehicles Trip Expenses  
 Delivery & Collection  
 Vehicles' Taxes, Permits & Insurance  
 Tyres & Tubes  
 Vehicles Repairs

487870119	382944584
171288385	148630468
22698821	18785654
12458257	11958533
11489234	7105026
14486567	12153607
720251363	581577970

	2010 Rs.	2009 Rs.
<b>11. ADMINISTRATION EXPENSES</b>		
Rent	824557	935194
Rates & Taxes	278643	393835
Printing & Stationery	437837	488338
Travelling	2337108	2198227
Conveyance	929373	548800
Motor Car Maintenance	497374	633609
Scooter Maintenance	182598	206252
Information Technology Expenses	1087531	798228
Electricity	708236	751142
Postage & Telegrams	455741	484275
Telecommunications	1478347	1188835
Advertisement	101581	148877
Legal & Professional Charges	146297	197977
Office Maintenance & Upkeep	2269412	1916457
Building Repairs	92412	103340
Other Repairs	34443	30403
Director's Fees	76000	98000
Bank Charges	206516	836332
	<b>12141805</b>	<b>11713821</b>
<b>12. FINANCIAL EXPENSES</b>		
Hire Purchase Charges	6640443	8122685
Interest		
to Bank	3143	-
to Others	477798	1374937
	<b>7121384</b>	<b>9497622</b>
<b>13. OTHER EXPENSES</b>		
Loss on Sale of Assets/Investments	512880	884879
Donation	10000	15000
Auditors Remuneration		
Audit Fees	68180	55150
In other Capacity	11030	11236
	<b>599900</b>	<b>948365</b>

**14. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

**A. Significant Accounting policies :**

**i) Convention :**

The financial statements are prepared under the historical cost convention in accordance with applicable Accounting Standards and relevant requirements of the Companies Act, 1956.

**ii) Fixed Assets, Depreciation and Impairment :**

a) Fixed Assets are stated at cost includes amounts added on revaluation, as reduced by and accumulated depreciation and impairment loss, if any.

b) Depreciation on fixed assets is charged on straight line method as per schedule XIV to the Companies Act, 1956, except in case of vehicles where it is charged on the estimated life as technically assessed. Depreciation on addition is charged for half of the year irrespective of the date of additions. However, no depreciation is charged on the assets sold during the year.

c) An asset is treated as impaired when the carrying cost of Assets exceeds its recoverable value.

**iii) Recognition of Income & Expenditure :**

In compliance with the requirements of Accrual System of Accounting, the following standards have been set out :

a) Freight income is accounted when goods are delivered by the Company to Customers and unqualified acknowledgements are obtained from them.

b) Direct expenses are accounted when hired vehicles deliver the goods to the Company at destination.

c) Payments made to hired lorries at the time of commencement of trip for destination and freight received from customers in advance at the time of booking are accounted for on actual basis.

d) Payments received from Customers towards unsettled accounts are credited to freight income account as and when the dues are finally settled realised.

e) Year-end liability in respect of claims for loss and damages is provided as calculated by claim recovery agents.

f) Deduction made by parties towards Claims, Excess Charges TDS etc. from bills raised by Company are accounted for in the year of actual deduction.

g) In case of composite contract jobs, all receipts and outgoings in respect of job are accounted for on the basis of completion of jobs or distinct part thereof and in case of transportation jobs where work in progress bills are raised as per the contracts, on the basis of such bills.

h) Having regard to the size of operation and the nature of complexities of company's business, in management opinion, the above are the reasonable standard of applying accrual system of accounting as required by law.

iv) **Investments :**

Investments are stated at cost.

v) **Contingent Liabilities & Contingent Assets**

Contingent liabilities not provided for are disclosed by way of notes. Contingent Assets are neither accounted nor disclosed in the financial statements.

B. **Notes on Accounts**

1. **Contingent Liability not provided for :**

i) In respect of guarantees and counter guarantees outstanding Rs. 82,00,000/- (Previous year Rs. 48,00,000/-)

ii) Estimated amount of Contracts remaining to be executed on capital account and not provided for Rs. 5,47,63,800/- (Previous year Rs. 45,63,895/-).

2. Employee benefits of short term nature comprising leave and medical benefits are recognized as expense as and when it accrues. Employee benefits of long term nature comprising gratuity is accounted for on cash basis. Actuarial valuation for gratuity liability as on 31st March, 2010 amounts to Rs. 20,54,879/- (previous year Rs. 20,64,108/-) remains unprovided in accounts in accordance with past practice.

3. No provision for has been made for diminution in the value of Long Term Investments of Rs. 10,13,650/-, (Previous year Rs. 10,13,650/-) required as per Accounting Standard AS-13 in respect of 13400 Equity Shares of M/s. Incab Industries Ltd., whose market realisable vlaue according to last available quotation on The Calcutta Stock Exchange was Rs. 53,600/-. The said Company has been declared as Sick Company and has gone to BIFR.

4. **Directors' remuneration**

	<u>2010</u>	<u>2009</u>
Salary & Allowances	27,35,000	18,36,000
Contribution to Provident fund	2,65,800	1,91,520
Sitting Fees	76,000	96,000
	<u>30,76,800</u>	<u>21,23,520</u>

5. No provision has been made in respect of Sundry Debtors doubtful of recovery Rs. 6,37,905/- (Previous year Rs. 6,46,018/-) though adequately covered by reserves of the Company.

6. Other advances under Current Assets include Rs. 1,00,68,731/- (Previous year Rs.1,26,83,790/-) being hire purchase charges in relation to interest on future installments for purchase of vehicles under installment payment arrangements.
7. No interest income has been recognised for the year on Unsecured Loan of Rs. 78,734/- (Previous year Rs.8,28,734/-) due from M/s. Kanol Plantation Pvt. Ltd. in view of legal proceedings which are pending in the Hon'ble Kolkata High Court for recovery of the said amount.
8. Fixed Deposits with Banks include Rs. 13,86,225/- (previous year Rs. 13, 32, 669/-) being deposits under lien with bank as margin money against non-funded credit facilities.
9. Expenditure on foreign travel Rs. 5,17,916/- (Previous years Rs.2,42,932/-) includes expenditure in foreign currency Rs. 3,87,092/- (previous year Rs. 78,125/-).
10. The Provisions of Accounting Standard As-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable as the Company's business activities fall under a single segment viz. Logistic.
11. Disclosure pursuant to Accounting Standard AS-18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India :

#### Related Parties

a) Where Control Exists	N.A.
b) Associates & Joint Ventures	N.A.
c) Key Management Personnel	1. Shri Kanhaiya Kumar Todi 2. Shri Sushil Kumar Todi 3. Shri Ashok Kumar Todi 4. Shri Udit Todi
d) Relatives of Key Management Personnel	N.A.
(e) Other Related Parties	N.A.

#### Details of Related Party Transactions

Related Party	Nature of Transaction	Amount (Rs.)	Outstanding as on 31.3.2010 (Rs.)
Key Management Personnel	Directors Remuneration	27,35,000/-	NIL

12. Previous year figures have been regrouped/rearranged wherever necessary

IC 16 Trd

COASTAL ROADWAYS LIMITED

Director

Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956 (as amended)  
**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. **Registration Details**

Registration No. : 27373 State code : 21  
Balance Sheet Date : 31.03.2010

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

Public Issue : NIL Rights issue : NIL  
Bonus Shares : NIL Private Placement : NIL

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

	Total Liabilities	Total Assets
	181660	181660
Sources of Funds	Paid-up Capital	Reserve & Surplus
	41466	75272
	Secured Loans	Unsecured Loans
	60999	453
	Deferred Tax Liability	
	3470	
Application of Funds	Net Fixed Assets	Investments
	191713	1014
	Net Current Assets	Misc. Expenditure
	(11067)	NIL
	Accumulated Losses	
	NIL	

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

Turnover	Total Expenditure
785483	776915
Profit before Tax	Profit after Tax
8568	6873
Dividend (%)	Earning per Share
7	Rs. 1.67

V. **Generic Name of Three Principal Product/Services of Company (as per monetary terms)**

Item Code No. : (ITC Code) N.A.  
Product Description : Logistic Services

Dr. D. R. AGARWAL

Partner

Membership No. : 51484

For and on behalf of

AGARWAL MAHESWARI & CO.

Chartered Accountants

FRN No. 314030E

Kolkata, the 27th day of May, 2010