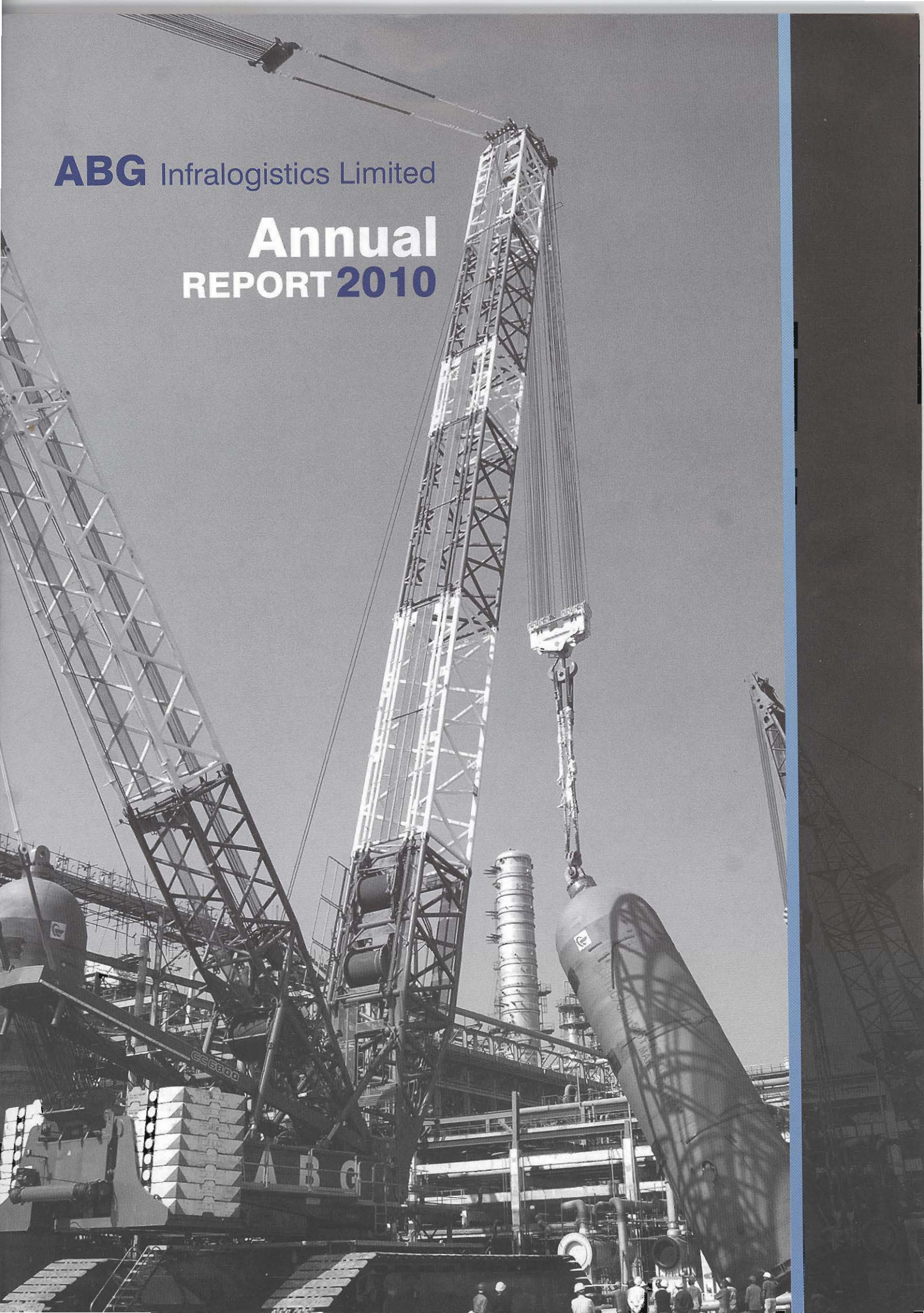


**ABG** Infralogistics Limited

**Annual  
REPORT 2010**



# Corporate Information



## Registered Office

5th Floor, Bhupati Chambers,  
13 Mathew Road,  
Mumbai - 400 004

## Auditors

M/s M.M. Chaturvedi & Co.  
24 Atlanta, Nariman Point,  
Mumbai 400 0021

## Bankers

Axis Bank Ltd.  
Bank of India  
The Jammu & Kashmir Bank Ltd.  
UCO Bank  
ICICI Bank Limited  
HDFC Bank Limited

## Legal Advisors

Desai & Diwanji  
Mumbai

## Registrar and Share Transfer Agents

Bigshare Services Pvt. Ltd.  
E/2, Ansa Industrial Estate, Sakivihar Road,  
Sakinaka, Andheri (E), Mumbai 400 072

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## Board of Directors

### Kamlesh Kumar Agarwal

Chairman

### Saket Agarwal

Managing Director

### Rishi Agarwal

Director

### H. P. Prabhu

Director

### R. G. Govindraipuram

Director

### G. Ravishankar

Director

### Chirag Desai

Company Secretary


**STANDALONE FINANCIAL HIGHLIGHTS FOR LAST 5 YEARS**

(Rs. In Crores)

Particulars	2009-10	2008-09	2007-08	2006-07	2005-06
<b>Gross Receipts</b>	<b>155.90</b>	151.27	107.93	69.21	69.96
Gross Profit before Interest and Depreciation	<b>102.20</b>	108.66	73.18	40.01	41.43
Less: Interest	<b>(39.69)</b>	(36.50)	(18.47)	(8.50)	(4.44)
Less: Depreciation	<b>(46.57)</b>	(61.87)	(37.73)	(23.37)	(15.42)
Add: Any Extra Ordinary (Loss)/ Income	–	–	72.89	–	–
<b>Profit Before Tax</b>	<b>15.94</b>	10.29	89.87	8.14	21.57
Less: Provision for Taxation	<b>(1.55)</b>	(1.34)	(18.76)	(0.93)	(1.55)
Less: Provision of Deferred Tax	<b>(3.95)</b>	(1.60)	2.71	(2.01)	(3.10)
Less: Provision for Fringe Benefit Tax	–	(0.20)	(0.27)	(0.12)	(0.12)
Less: Provision for Tax for earlier year	<b>(0.01)</b>	–	–	–	–
<b>Profit After Tax</b>	<b>10.43</b>	7.15	73.55	5.08	16.80
Add: Profit brought forward from earlier year	<b>45.57</b>	45.17	36.62	40.02	35.45
Net Profit available for appropriation	<b>56.00</b>	52.32	110.17	45.10	52.25
Interim Dividend on Equity Share	<b>5.98</b>	6.00	11.25	–	–
(Including Corporate Dividend Tax)					
Proposed Dividend	–	–	3.75	3.48	3.23
(Including Corporate Dividend Tax)					
Transfer to General Reserve	<b>1.10</b>	0.75	50.00	5.00	9.00
<b>Balance Carried to Balance Sheet</b>	<b>48.92</b>	45.57	45.17	36.62	40.02
<b>Gross Block</b>	<b>673.92</b>	771.16	524.03	360.91	278.22
<b>Net Worth</b>	<b>251.29</b>	246.84	243.41	184.85	134.50
<b>Debt: Equity</b>	<b>1.44:1</b>	1.99:1	1.35:1	1.14:1	0.68:1
<b>Cash Profit</b>	<b>57.00</b>	69.30	112.88	41.35	44.66

## NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of ABG Infralogistics Limited will be held on Thursday, the 30th day of September 2010 at Sangam Hall, Agarwal Bhawan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai 400 002 at 4.30 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To take note of interim dividend paid on Equity Shares for the year ended 31st March 2010.
3. To re-appoint Mr. Kamlesh Kumar Agarwal, Director of the Company, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To re-appoint Mr. R. G. Govindrajpuram, Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

### SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to the provisions of section 269 and 309(5B) read with schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the approval of the Central Government the consent of the Company be and is hereby accorded to waive the recovery of a sum of Rs. 17,44,010/- (Rupees Seventeen Lakh Forty Four Thousand Ten only) being excess remuneration paid to Mr. Saket Agarwal, Managing Director of the Company during the financial year 2009-2010, in excess of the limits prescribed under section 309(3) of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may deem necessary to give effect to the above resolution.”

By order of Board of Directors

**Kamlesh Kumar Agarwal**  
Chairman

Mumbai, 29th May, 2010

### Regd. Office:

5th Floor, Bhupati Chambers,  
13 Mathew Road,  
Mumbai - 400 004.

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND AT THE MEETING THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
The proxy form must be lodged with the company not less than 48 hours before the time of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September 2010 to 30th September 2010 (both days inclusive).
3. Members holding shares in physical form are requested to notify/ send the intimation, if any, of change in their address and details of Bank Account at the earliest to the Share Transfer Agents viz, Bigshare Services Pvt. Ltd., E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072. Tel: 022-40430200 Fax: 022-28475207.

Members holding shares in electronic form are advised to inform changes in address / Bank mandate, if any, directly to their respective Depository Participants.

4. Mr. Kamlesh Kumar Agarwal and Mr. R. G. Govindrajpuram, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. As required under Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange, particulars of Mr. Kamlesh Kumar Agarwal and Mr. R. G. Govindrajpuram are being provided here-in-below:

Mr. Kamlesh Kumar Agarwal is presently Managing Director of the Onaway Industries Limited and ABG Kandla Container Terminal Limited and has experience of successfully managing various businesses for the last 44 years. He does not hold any shares of the Company. His other Directorship is as under :

Name of the Company	Position Held
Onaway Industries Limited	Managing Director
ABG Infralogistics Limited	Director
ABG Shipyard Limited	Director
ABG Acquafarm Private Limited	Director
PFS Shipping (India) Limited	Director
ABG Kandla Container Terminal Limited	Managing Director
ABG Kolkata Container Terminal Limited	Director
Agbros Glass Works (India) Private Limited	Director

Mr. R. G. Govindrajpuram is an Engineering Graduate with wide experience of over 27 years in the operation and management of major ports in India. He retired as Chief Mechanical Engineer from Mumbai Port Trust, a position he held for over 10 years. His experience has a direct bearing on the workings of the company. He does not hold any shares in the Company.

5. In terms of Sections 205A and 205C of the Companies Act, 1956 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of its transfer to Unpaid Dividend Account of the Company is required to be transferred to the Investors' Education and Protection Fund established by the Central Government and no claim shall lie against the said Fund or the Company for the amount of dividend so transferred to the Fund. As no dividend was declared in the financial year 2002-2003, no amount is required to be transferred to Investors' Education and Protection Fund.
6. Members desirous of getting any information relating to the accounts and operation of the Company are requested to send their queries at least 7 days in advance of the meeting so that the information required may be made available at the meeting.
7. Members are requested to bring their copy of Annual Report to the meeting.

## ANNEXURE TO NOTICE

### Explanatory Statement as required under Section 173 (2) of The Companies Act, 1956.

#### Item No. 6:

Mr. Saket Agarwal was re-appointed as Managing Director of the Company for a period of 5 years with effect from 13th September, 2004. The remuneration payable to Mr. Saket Agarwal was revised from Rs. 2 Lacs to Rs. 5 Lacs per month w.e.f. 1st October, 2006 and same was approved by the members in their Annual General meeting held on 28th September 2007.

The term of Mr. Saket Agarwal expired on 12th September, 2009 and he was further re-appointed as Managing Director for a period of 3 years w.e.f. 13th September, 2009. The members of the Company in their Annual General Meeting held on 30th September 2009 approved the said re-appointment and the Company has also received approval of the Central Government for the re-appointment of Mr. Saket Agarwal. The Company has sought some clarification about limits of remuneration payable to Mr. Saket Agarwal in view of some ambiguity about the same.

During the financial year 2009-10, a sum of Rs. 71,97,417/- (including employer's contribution to PF) was paid to Mr. Saket Agarwal as remuneration. As per the Section 198 read with section 309(3) of the Companies Act, 1956, the remuneration to the Managing Director can be paid up to 5% of the net profit as computed in the manner provided in section 349 of the Act, However, due to unfavorable market conditions and recession in word economy, the Company could not maintain high level of profit as compared to the previous years. Therefore, a sum of Rs. 26,30,638/- has been ascertained in excess of 5% of net profit (as computed in manner provided in section 349 of the Act). It is

proposed to seek waiver for recovery of excess remuneration of Rs. 17,44,010/- paid during the period from 1st April, 2009 to 12th September, 2009. As regards balance excess remuneration paid during the period from 13th September, 2009 to 31st March, 2010, the same shall stand regularised on receipt of clarification from Central Government as aforesaid.

As per the provisions of section 309(5B) of the Companies Act, 1956, subject to the approval of the Central Government, the Company can waive recovery of the excess remuneration paid after approval of the members of the Company.

The Board recommends passing of the Special Resolution as set out at Item No. 6 of the Notice.

Except Mr. Kamlesh Kumar Agarwal, Mr. Rishi Agarwal and Mr. Saket Agarwal, no other Director is concerned or interested in the above resolution.

By order of Board of Directors

**Kamlesh Kumar Agarwal**  
Chairman

Mumbai, 29th May, 2010

**Regd. Office:**

5th Floor, Bhupati Chambers,  
13 Mathew Road,  
Mumbai - 400 004.

## DIRECTORS' REPORT

To,  
The Members of  
**ABG Infralogistics Limited**

Your Directors feel great pleasure in presenting this Twenty Sixth Annual Report on the performance of your Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2010.

### Financial Highlights

Particulars	Amount (Rupees in Crore)	
	2009-10	2008-09
Gross Receipts	<b>155.90</b>	151.27
Gross Profit before Interest and Depreciation	<b>102.20</b>	108.66
Less: Interest	<b>(39.69)</b>	(36.50)
Less: Depreciation	<b>(46.57)</b>	(61.87)
Profit Before Extra Ordinary Items and Tax	<b>15.94</b>	10.29
Net Profit Before Tax	<b>15.94</b>	10.29
Less: Provision for Taxation	<b>(1.55)</b>	(1.34)
Less: Provision of Deferred Tax	<b>(3.95)</b>	(1.60)
Less: Provision for Fringe Benefit Tax	–	(0.20)
Less: Provision for Tax earlier year	<b>(0.01)</b>	–
Profit After Tax	<b>10.43</b>	7.15
Add: Profit brought forward from earlier year	<b>45.57</b>	45.17
Net profit available for appropriation	<b>56.00</b>	52.32
Interim Dividend (including Dividend Distribution Tax)	<b>5.98</b>	6.00
Proposed Dividend (including Dividend Distribution Tax)	<b>Nil</b>	–
Transfer to General Reserve	<b>1.10</b>	0.75
Balance Carried to Balance Sheet	<b>48.92</b>	45.57

### Operating Results and Business

During the year under review, your Company has gross receipts at Rs. 155.90 Crore as compared to Rs. 151.27 Crore in the previous financial year 2008-09. There was an increase of 3.06%. Operating income during the year amounted to Rs. 55.63 Crore as compared to Rs. 46.79 Crore in the previous financial year, resulting in increase of 19%.

Your company has earned a net profit after tax from ordinary activities of the Company at Rs. 10.43 Crore as compared to Rs. 7.15 Crore in the previous financial year 2008-2009, registering an increase of 45.87%.

**ABG Kolkata Container Terminal Private Limited (ABGKCTL)**, a subsidiary of your company has registered high growth in throughput and operational receipts this year also. Year on Year container volume handled by ABGKCTPL as well as operational receipt has grown by 24% which can be considered as very good. During this year ABGKCTPL handled 60% of the container throughput of the Netaji Subhas Dock system at Kolkata Port. The company has achieved gross receipts of Rs. 23.08 Crore as compared to Rs. 20.85 Crore in the previous financial year.

**ABG Kandla Container Terminal Limited**, a subsidiary of your company has completed third full year of commercial operations at Kandla Port. Container Traffic during the year registered an increase of 7%.

**ABG Projects and Services Limited (UK)** a subsidiary of your company incorporated in UK holds intellectual properties.

**ABG Ports Private Limited**, a subsidiary of your Company was incorporated with the objective of consolidation and development of port infrastructure, cargo handling activities and other related business. The Company is bidding for port projects in India.

**ABG-LDA Bulk Handling Private Limited** (formerly ABG Bulk Handling Private Limited), a subsidiary of your company was incorporated on 18th November 2008 with the objective of handling bulk cargo business at various ports. Presently, it has presence at New Mangalore, Paradip and Visakhapatnam Ports. The company has received equity participation from Louis Dreyfus Armateurs SAS of France.

**ABG Haldia Bulk Terminals Private Limited**, another subsidiary of your company was incorporated on 22nd May 2009 with the objective of handling bulk cargo business at Haldia Dock Complex, Kolkata Port Trust. The project is in the stage of commissioning.

**ABG Coastal Private Limited**, a subsidiary of your company was incorporated on 4th September, 2009 with the objective of furthering cargo handling and other related business at various ports. The company has not started any commercial activities as yet.

**ABG Container Handling Private Limited**, a subsidiary of your company was incorporated on 6th November 2009 with the objective of handling container cargo at various ports and other related business. The company has not started any commercial activities so far.

**ABG-LDA Marine Private Limited**, a subsidiary of your company was incorporated on 4th February 2010. The company has not started any commercial activities.

#### **Finance:**

This year there is increase in the interest cost as compared to last year due to higher level of borrowing for imports of cranes and increase in borrowing cost. The company is taking conscious steps to reduce borrowing cost.

#### **Dividend:**

An Interim Dividend of Rs. 4.00 per Equity share (40%) was declared on 13th April, 2010 for the year 2009-2010 and the total outflow on this account was Rs. 6 Crore (including Dividend Distribution Tax). No further dividend is being recommended by the Board of Directors of the Company.

#### **Directors:**

Mr. Kamlesh Kumar Agarwal and Mr. R. G. Govindrajpuram, Directors of the Company retire by rotation at ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your Board recommends for their re-appointment.

The Company has received approval of Central Government for the re-appointment of Mr. Saket Agarwal as Managing Director of the Company for the period of 3 years w.e.f. 13th September, 2009.

#### **Directors' Responsibility Statements:**

As stipulated under Section 217(2AA) of Companies Act, 1956, your Directors subscribe to "Directors' Responsibility Statement" and confirm that:

- i) in preparation of the annual accounts, applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared the annual accounts on a going concern basis.

#### **Auditors:**

M/s. M. M. Chaturvedi & Co., Chartered Accountants, Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Audit Committee has recommended the re-appointment of M/s. M. M. Chaturvedi & Co. The Company has received a letter from M/s. M. M. Chaturvedi & Co. to the effect that their appointment as Auditors, if made, would be within the limits under Section 224 (1B) of the Companies Act, 1956.

The Auditor's comments in their report are self-explanatory, hence do not call for any further clarification.

#### **Fixed Deposit:**

Your Company has not accepted any Fixed Deposits within the meaning of sections 58A & 58AA of the Companies Act, 1956 from the public during the year ended March 31, 2010.



**Audit Committee:**

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement entered into with Bombay Stock Exchange, the Company has an Audit Committee comprising of Mr. H. P. Prabhu, Mr. R. G. Govindrajpuram and Mr. G. Ravishankar, independent directors of the Company. Mr. H. P. Prabhu is Chairman of the Committee.

**Corporate Governance:**

Pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited, Management Discussion and Analysis Report, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report. The website of the Company contains, among others, the code of conduct for the Directors and Senior Management adopted by the Company.

**Subsidiaries:**

The Company has the following subsidiaries:

1. ABG Kolkata Container Terminal Private Limited
2. ABG Kandla Container Terminal Limited,
3. ABG Projects & Services Limited (U.K.)
4. ABG Ports Private Limited

And the following are the step down subsidiaries of the Company:

1. ABG-LDA Bulk Handling Private Limited
2. ABG Haldia Bulk Terminals Private Limited
3. ABG Coastal Private Limited
4. ABG Container Handling Private Limited
5. ABG-LDA Marine Private Limited

In accordance with the provisions laid down in Section 212(1) of the Companies Act, 1956 ("the said Act"), your company is required to attach the Directors' Report, Auditor's Report, Balance Sheet and Profit & Loss Account of the subsidiaries to its Balance Sheet. In accordance with the provisions of Section 212(8) of the said Act, your company has received exemption from the Central Government granting exemption from the aforesaid requirement; hence these documents are not attached to the Balance Sheet of the Company. Audited Accounts of the subsidiaries of the Company are available at the Registered Office of the Company and also at the Registered Office of the subsidiary companies for inspection by members of the Company and of subsidiary companies. The Company will make available these documents upon prior request by any member of the Company.

A statement pursuant to the provisions of Section 212(1)(e) of the Companies Act, 1956 and the summary of the key financials of the subsidiary companies are included in this Annual Report. Pursuant to Clause 32 of the Listing Agreement, Audited Consolidated Financial statements for the year ended 31st March 2010 forms part of the Annual Report.

**Particulars of Employees**

Information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is given here under:

Name	Designation	Age (Years)	Qualification	Experience (Years)	Date of Employment	Gross Remuneration	Last Employment held
Mr. Saket Agarwal	Managing Director	46	B.Com	26	11. 06. 84	Rs.7,197,417/-	First Employment
Mr. C. Babu Rajeev	Chief Executive Officer	63	M.Sc.	40	01.12.07	Rs.6,821,528/-	Secretary to Government of India

**NOTES:**

- 1) The nature of employment of Mr. Saket Agarwal is contractual while the nature of employment of Mr. C. Babu Rajeev is non-contractual.

- 2) Remuneration includes salaries, allowances, bonus and expenditure incurred in providing rent free accommodation, medical expenses, value of other perquisites as calculated under the provisions of Income Tax Act and Rules and Company's contribution to Provident and Pension Fund.
- 3) In addition to the above remuneration, employees are entitled to gratuity, medical benefits, etc. in accordance with the company's rules.
- 4) Mr. Saket Agarwal is a relative of Mr. Kamlesh Kumar Agarwal and Mr. Rishi Agarwal, Directors of the Company.

#### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Considering the nature of business activities being carried out by the Company, the Directors have nothing to report regarding conservation of energy and technology absorption.

The information related to foreign exchange earnings and outgo has been given in the notes forming part of the accounts for the year ended 31st March, 2010.

#### **Acknowledgement**

Your Directors place on record their appreciation for the support and co-operation extended by Company's Bankers, Government Bodies, Shareholders and specifically the contribution made by the employees of the Company in the success of the Company during the year under review. Your Directors look forward to their continued unstinted support.

For and on behalf of the Board of Directors

**Kamlesh Kumar Agarwal**  
Chairman

Mumbai, 29th May, 2010

## MANAGEMENT DISCUSSION & ANALYSIS

### A) Industry Structure and Development:

The global economy seems to be recovering after the recent economic shock. The global economic and financial crisis had a relatively muted effect on India, due to country's limited dependence on external demand and strong fiscal and monetary stimulus measures. Though the rate of growth of Indian economy slowed down to 6.8 percent in 2009, compared to an average rate of 9.4 percent in 2005 to 2007, real GDP expanded by 16.8 percent on a seasonally adjusted annualised basis in the third quarter of 2009, before contracting in the fourth quarter by 2.8 percent. The economic growth rate again bounced back to 13.5 percent in the first quarter of 2010. The RBI estimates the Indian economy to grow by 8.5% in the year 2010-11.

Indian Budget 2010-11 opens up fresh business opportunities for companies involved in infrastructure development. With 46% of the planned expenditures going to infrastructure and further stress to PPPs (Public Private Partnership), the budget has sent all the right signals to infrastructure development companies.

In the implementation of the budgetary vision, a lot of new projects will be rolled out. Massive construction projects would translate into multiple downstream opportunities for several other sectors, such as power generation, oil exploration, cement, steel and construction equipment. This augurs well for the demand for Heavy Lift Cranes.

### B) Opportunities and Threats:

With the increased spending on Infrastructure by Government as proposed in latest budget, the earthmoving and construction equipment industry has the potential to grow five - fold from its current size of \$ 2.3 billion to approximately \$12 -13 billion by 2015, growing at 24% compounded annual growth rate. (Source : 'ECE vision 2015: Scaling new heights in the Indian Earth Moving and Construction Equipment Industry' a study conducted by McKinsey for CII and the Indian Earth Moving, Construction Industry Association (IECIAL)).

The materialisation of civil nuclear cooperation agreement with United States will lead to establishment of nuclear power plants/reprocessing facilities across various places in the country and is expected to generate good demand for heavy lift cranes in the forthcoming years.

The Port operations of the company have witnessed substantial growth during the year. ABG Infralogistics Ltd. has received a letter of award from Vishakhapatnam Port Trust for the development of Rs. 115 Cr Western Quay-6 (WQ-6) berth in the northern arm of inner harbour of the port on BOT basis for 30 years. The berth will handle dry bulk cargo such as coke, steel and granite blocks. The scope of work includes planning, designing and constructing 215 m of berth along with procurement and installation of handling equipment and development of stacking area on about 12.2 acres. To start with the proposed facility is expected to handle about 2.1 million tpa of dry bulk cargo reaching up to about 3 million pa in a fully operational state. A Special Purpose Vehicle in the name of West Quay Multiport Pvt. Ltd. has been incorporated to handle this project in joint venture with ABG-LDA Bulk Handling Pvt. Ltd., a subsidiary of the company.

The New Mangalore Port Trust (NMPT) has witnessed 251 percent growth in container traffic in the current financial year. The port is on the threshold of adding more infrastructure facilities to cope up with the increase in traffic. The port, which handled 8943 TEUs of containers during 2004-05, handled 31,456 TEUs during 2009-10. With the expected increase in overall traffic, the company also seems to have greater opportunities. Recently our company has received licence from NMPT and is in the process of setting up a new Container Freight Station there.

Kolkata Port Trust has awarded a letter of intent to the company for operation and maintenance of (including providing equipment support to) two berths, 2 & 8 of Haldia Dock Complex. The proposed arrangement, which presupposes equipping of the berths, would increase the productivity from about 6300 tonnes per day per berth to an output of 20,000 tonnes per day per berth. The company will receive handling charges at fixed rates from the dock authorities for its services. A Special Purpose Vehicle in the name of ABG Haldia Bulk Terminals Pvt. Ltd. has been incorporated to handle this project in joint venture with ABG- LDA Bulk Handling Pvt. Ltd., a subsidiary of the company. The company is expecting to receive the commissioning certificate very soon, which should enable the commencement of commercial operations.

ABG Kolkata Container Terminal Pvt. Ltd., a subsidiary of the company is achieving new heights every year. It is handling around 61% of the container traffic of Kolkata Port Trust. The volume at Kolkata Port is increasing steadily. The Indian railway Ministry has taken a step forward in this direction by announcing that it will negotiate with state governments for building up of Multi- Modal Logistics Park (MMLP) together with freight corridors. These MMLPs will contain facilities like container depots, warehouses, rail sidings with sheds and building for logistics operations.

ABG Kandla Container Terminal Ltd., subsidiary of the company has completed fourth year of operation. The company is planning for various incentives for raising its share in the traffic at Kandla Port Trust.

ABG-LDA Marine Pvt. Ltd., a step down subsidiary of the company has been incorporated on 4th Feb, 2010 with the objective of handling of bulk cargo at various ports and other related business. The company has not started any commercial activity.

Recently ABG has completed the order of Bharat Oman Refineries Limited, Bina for heavy erection works including detailed engineering of the lifts. A total 3000MT of lifts had been executed including three reactors each weighing 520 MT. ABG owns and is operating cranes up to 1250MT capacity. There are plans to further enhance the range and limits of its fleet of around 166 cranes and 8 trailers to meet the growing needs of country for energy, infrastructure and natural resources.

The expansion by key customers such as Suzlon in windmill segment, and Reliance Industries in petrochemical and refinery segment, Essar Projects in refinery segment will also benefit the company. The company is planning to buy around 10 numbers of high capacity cranes (400MT to 650MT) to get competitive advantage.

### C) Risks and Concerns:

**Market & Industry Risk:** Port infrastructure is critical for the efficient working of the Indian Ports Sector. At present the turnaround time at Indian Ports is almost three times that of Singapore, Hong Kong or Colombo. The consistent growth in cargo traffic has put tremendous pressure on port capacity. The pre-berthing detentions are high and have resulted in an estimated maritime trade loss of Rs. 14 billion per annum. Government is in the process of connecting the ports to railway lines which will definitely improve the situation by attracting more global customers to the country. The company is in the process of bidding for much bigger projects. It is expected to mobilise the required resources for improving efficiency, productivity & quality of services; to face the competition emerging in the market.

**Interest rate and Foreign Exchange Risk:** Looking to the latest economic slowdown, uncertainties of future particularly in respect of exchange and interest rates has increased. The only way to handle the risk due to uncertainty is to have a good capital structure, a mix of different borrowing options both in Indian Currency and Foreign Currency. The company has always been hedging the foreign exchange fluctuation risk through forward contracts and by having diversified borrowing sources.

### D) Internal Control Systems and their adequacy:

The company is well structured. The company has adequate systems of internal control commensurate with its size and the nature of its operations in place. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, executing transactions proper authorization and ensuring compliance of corporate policies. The company has an audit committee, details of which have been provided in the Corporate Governance Report. The Audit Committee meets the company's Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the company and keeps the Board of Directors informed of its major observations from time to time. It also evaluates the Company's strategic management system and suggests risk mitigation measures for all the key operations.

### E) Human Resource Management:

Employee relations remained cordial during the year. The company has a system for Annual performance appraisal for its employees. The grant of increment or accelerated increments is related to work performance.

### F) Cautionary Statement

Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual result could differ materially from those expressed or implied.

## REPORT ON CORPORATE GOVERNANCE

(As required under Clause 49 of the Listing Agreement with Stock Exchange)

### 1. Company's philosophy on Corporate Governance

Corporate governance systems depend on key principles of fairness and integrity, transparency, disclosures and accountability. These form the bases of the work life and guide of the management of your company in all aspects of business conduct and in its relationship with all its stakeholders i.e., shareholders, customers, employees and the communities in which it operates. As quoted by Benjamin Franklin:

"A Little neglect may breed great mischief - for the want of a nail, the shoe was lost; for the want of a shoe, the horse was lost; for the want of a horse, the rider was lost; and for the want of the rider, the battle was lost."

An important theme of corporate governance that your company practices is avoidance of minutest neglect and accountability to all ensuring strict adherence to processes and procedures leading to good work behavior and protection of stakeholders' interests.

For your company, corporate governance is not an issue of compliance, it is a mechanism to leverage company's resources and align its activities to consumer needs, shareholder's benefits and employees growth delighting its stakeholders while minimizing risks.

### 2. Board Composition:

The Board of Directors provides strategic directions to the Company and their effectiveness ensures long term interest of shareholders. Board meetings are held at the registered office of the company. The Board is responsible for the management of the business and meets regularly for discharging its role and functions. The functions, role, accountability and responsibilities are clearly defined.

The present Board of the Company comprises of six directors, which includes one Managing Director, two non-executive non-independent directors and three independent directors. The Chairman of the Company is non-executive non-independent director. Apart from sitting fees paid for attending Board Meetings, the non-executive directors do not have any pecuniary relationship with the Company.

#### Number of Board Meetings & Attendance

During the year 2009-10, the Board met 19 times on 10th April 2009, 20th April 2009, 2nd May 2009, 30th June 2009, 16th July 2009, 23rd July 2009, 31st July 2009, 11th August 2009, 1st September 2009, 14th October 2009, 31st October 2009, 9th November 2009, 14th December 2009, 11th January 2010, 30th January 2010, 5th February 2010, 16th February 2010, 4th March 2010, 8th March, 2010.

The names of directors, their category and their attendance at Board Meetings and last Annual General Meeting and number of directorships and committee memberships held by them in other companies are given below:

Name	Category	Attendance at Board Meeting		Attendance at AGM on 30.09.2009	No. of Directorships in other Public Companies		No. of Committee positions held in other public companies	
		Held	Attended		Chairman	Director	Chairman	Member
Mr. Kamlesh Kumar Agarwal	Chairman, Non Independent Non-Executive	19	2	No	-	3	-	-
Mr. Saket Agarwal	Managing Director, Executive Non Independent	19	18	Yes	-	5	-	-
Mr. Rishi Agarwal	Promoter, Non-Executive Non Independent	19	19	No	-	8	-	-
Mr. R. G. Govindrajpuram	Non-Executive Independent	19	5	Yes	-	-	-	-
Mr. H. P. Prabhu	Non-Executive Independent	19	7	Yes	-	-	-	-
Mr. G. Ravishankar (w.e.f. 11.08.2009)	Non-Executive Independent	11	3	Yes	-	-	-	-

**3. Audit Committee:**

The Board has constituted an Audit Committee comprising of independent and non-executive Directors. During the financial year 2009-2010, Mr. G. Ravishankar was appointed as a member of Audit Committee in place of Mr. Kamlesh Kumar Agarwal who had resigned from the membership of the Audit Committee. The terms of reference of the Audit Committee are wide and in consonance with the requirement under Clause 49 of Listing agreement entered into with the Bombay Stock Exchange Ltd. read with Section 292A of the Companies Act, 1956. A representative of Statutory Auditors is a permanent invitee.

Company Secretary acts as secretary of the Committee.

Broad terms of reference:

The terms of reference of the Audit Committee are as follows:

- 1 To oversee company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2 To review with the management, the Annual financial statements before submission to the board, focusing primarily on:
  - Matters requiring inclusion in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - Any change in the accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based in the exercise of judgement by the management.
  - Significant adjustments made in the financial statements arising out of the audit findings.
  - Compliances with the listing agreement and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- 3 To review with the management the quarterly financial statements before submission to the Board for approval.
- 4 To review with the management performance of statutory and internal auditors and adequacy of the internal control systems.
- 5 To review the Company's financial and risk management policies.
- 6 To discuss with the internal auditor any significant findings and follow-up thereon.

The audit committee comprises of three Non Executive Independent Directors namely:

1. Mr. H.P. Prabhu - Chairman
2. Mr. R.G. Govindrajpuram - Member
3. Mr. G. Ravishankar - Member

During the year, Audit Committee met four (4) times on 30th June 2009, 31st July 2009, 31st October 2009 and 30th January 2010. The attendance of members at Audit Committee meetings was as follows:

Name	Designation	Meetings	
		Held	Attended
Mr. H. P. Prabhu	Chairman	4	4
Mr. R. G. Govindrajpuram	Member	4	4
Mr. Kamlesh Kumar Agarwal (upto 14.10.2009)	Member	2	2
Mr. G. Ravishankar (w.e.f. 14.10.2009)	Member	2	2

**4. Remuneration Committee:**

The Company does not have Remuneration Committee at present. The Board determines the remuneration of Managing Director and the remuneration of other employees of the Company is determined by the Managing Director. During the year, a sum of Rs. 71,79,417/- (including employer's contribution to PF) was paid as remuneration to Mr. Saket Agarwal, Managing Director of the Company (Non-Mandatory Requirement). The Non-Executive Directors are paid only sitting fees for attending Board and Committee Meetings.

The Company does not have any Employees' Stock Option Scheme.

**5. Shareholders'/Investors' Grievances Committee:**

The Company has constituted Shareholders'/ Investors' Grievances Committee of the Board of Directors to look into the specific complaints received from the shareholders of the Company. The Committee looks into the redressal of shareholders and investors complaints with respect to transfer of shares, non receipt of Annual Report, non receipt of declared dividend etc.

The Investor Grievances Committee is headed by Mr. R. G. Govindrajpuram, Mr. H. P. Prabhu is another member of the Committee. During the year, Investor's Grievances Committee met four (4) times on 30th June 2009, 31st July 2009, 31st October 2009 and 30th January 2010, where both the members were present.

**6. General Shareholder Information:**

A) Given below are the details of the Compliance Officer and the investors' complaints status:

Mr. P. K. Sinha, General Manager is Compliance Officer of the Company.

Details of Investor Complaints received and redressed;

Opening Balance : 02  
 Received : 42  
 Redressed : 44  
 Closing Balance : NIL

B) General Body Meeting:

Meeting	Date & Time	Location	Special Resolutions
A.G.M.	30th September 2009 at 4.30 p.m.	Sangam Hall, Agarwal Bhawan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai 400 002	<ol style="list-style-type: none"> <li>For waiver of recovery of excess remuneration paid to Mr. Saket Agarwal, Managing Director of the Company during the financial year 2008-2009.</li> <li>For Re-appointment of Mr. Saket Agarwal as Managing Director of the Company for a further period of 3 years with effect from 13th September, 2009.</li> </ol>
A.G.M.	29th September 2008 at 4.30 p.m.	Sangam Hall, Agarwal Bhawan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai 400 002	Nil
E.G.M.	21st March 2008 at 4.30 p.m.	Sangam Hall, Agarwal Bhawan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai 400 002	<ol style="list-style-type: none"> <li>For issue of Foreign Currency Convertible Bonds (FCCBs) and/or Global Depository Bonds (GDRs) and/or American Depository Receipts (ADRs) convertible into Equity shares for a sum not exceeding US\$50 Million.</li> <li>For issue on preferential basis not exceeding 12,50,000 warrants to the promoters.</li> </ol>
E.G.M.	15th October 2007 at 2:30 p.m.	Sangam Hall, Agarwal Bhawan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai 400 002	Alteration of Memorandum and Articles of Association for change of name of the Company from "ABG Heavy Industries Limited" to "ABG Infralogistics Limited"
A.G.M.	28th September 2007 at 4.30 p.m.	Sangam Hall, Agarwal Bhawan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai 400 002	Revision in remuneration of Managing Director

Neither any special resolution was passed through the postal ballot during the financial year neither in 2009-2010 nor any special resolution is proposed to be passed through postal ballot at the ensuing Annual General Meeting.

**7. Disclosure:**
**a) Disclosure on materially significant related party transactions**

During the year under review, there were no transaction of material nature with the related parties that had potential conflict with the interest of the company. Details of related party transactions are disclosed in notes to the accounts.

**b) Details of the non-compliance, if any, with regard to capital market**

The company has complied with the requirements of the Stock Exchange/ SEBI/ Statutory Authorities on all the matters relating to capital markets. There were no penalties imposed nor strictures passed on the Company by the Stock Exchange, SEBI or any other statutory authorities on any matter related to capital markets during last three years.

**c) Whistle Blower Policy**

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in accordance with Clause 49 of the Listing Agreement entered into with the Stock exchange, for employees to report concerns about unethical behavior. No Person has been denied access to the Audit Committee

**d) Code of Conduct**

The Board of Directors has adopted the Code of Conduct for the directors and senior management. The said code has been communicated to the directors and the members of the senior management. The code also has been posted on the company's website [www.abgworld.com](http://www.abgworld.com)

**e) Certification from CEO and CFO**

The requisite certification from the CEO and CFO required to be given under Clause 49(v) has been placed before the Board of Director of the company.

**f) Details of compliance with mandatory requirements and adoption of non mandatory requirements of Clause 49 of the listing agreement.**

The Company has complied with all the mandatory requirements as prescribed under Clause 49 of the Listing Agreement. A certificate from statutory auditors of the Company to this effect has been included in this report.

**8. Means of Communication**

Whether half-yearly report sent to the household of each shareholder (Non-mandatory requirement)	No
In which news papers Quarterly Results of the Company are published?	1. Business Standard 2. Dainik Sagar
Does Company have any website?	Yes, <a href="http://www.abgworld.com">www.abgworld.com</a>
Whether it also displays official news releases, and the Presentation made to investors or to analysts	No
Whether Management Discussion & Analysis is a part of Annual report	Yes



**9 Shareholders' Information**

I	AGM - Date, Time and Venue	Thursday, 30th September 2010 at 4.30 p.m. Sangam Hall, Agarwal Bhawan, 100/C, Marine Drive, Next to Indian Oil Petrol Pump, Mumbai 400 002
II	Financial Calendar: Year Ending First Quarter's Results Second Quarter's Results Third Quarter's Results Annual Results	31st March, 2011 By 14th August, 2010 By 14th November, 2010 By 14th February, 2011 By 30th May, 2011
III	Date of Book Closure	26th September, 2010 to 30th September 2010
IV	Dividend Payment Date	N.A.
V	Listing on Stock Exchange	Bombay Stock Exchange Limited Phiroze Jeejebhoy Towers, Dalal Street, Mumbai 400 001. Tel: 2272 1233 / 2272 1234
VI	Listing Fees	Annual Listing fees has been paid for the year 2010-2011 to Bombay Stock Exchange Limited
VII	Stock Code	520155
VIII	ISIN	INE580C01019
IX	Registrar & Transfer Agents	Bigshare Services Pvt. Ltd. E/2-3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072
X	Share Transfer System	Share Transfers in physical forms can be lodged with Bigshare Services Pvt. Ltd. at above mentioned address. The transfers are normally processed within three weeks if all documents received are in order.
XI	Outstanding GDRs/ ADRs/Warrants	Not Applicable

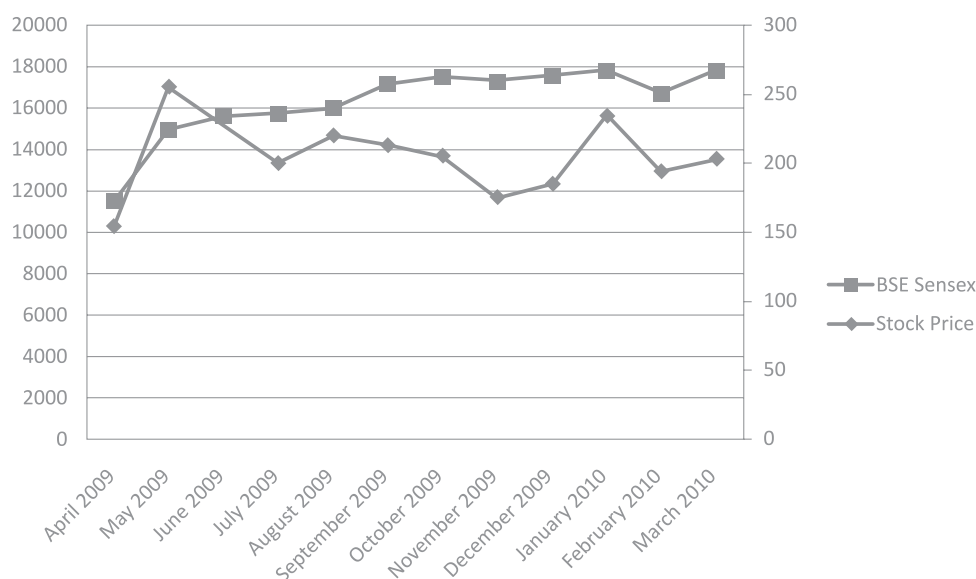
**XII Market Price Data:**

Month	High Price Rs.	Low Price Rs.	No. of Shares traded	BSE Sensex High	BSE Sensex Low
April 2009	154.40	84.00	132,969	11492.10	9546.29
May 2009	255.00	126.00	152,097	14930.54	11621.30
June 2009	230.00	160.00	108,135	15600.30	14016.95
July 2009	200.00	134.50	101,186	15732.81	13219.99
August 2009	220.00	157.00	188,394	16002.46	14684.45
September 2009	213.00	170.00	254,642	17142.52	15356.72
October 2009	205.00	167.55	202,851	17493.17	15805.20
November 2009	175.00	154.50	280,070	17290.48	15330.56
December 2009	184.90	155.55	140,942	17530.94	16577.78
January 2010	234.00	164.00	906,497	17790.33	15982.08
February 2010	194.00	152.25	115,583	16669.25	15651.99
March 2010	202.90	158.15	599,649	17793.01	16438.45

Source: www.bseindia.com

**Stock Performance v/s BSE Sensex**

The performance of ABG Infralogistics Limited's Equity Shares relative to the BSE Sensex.



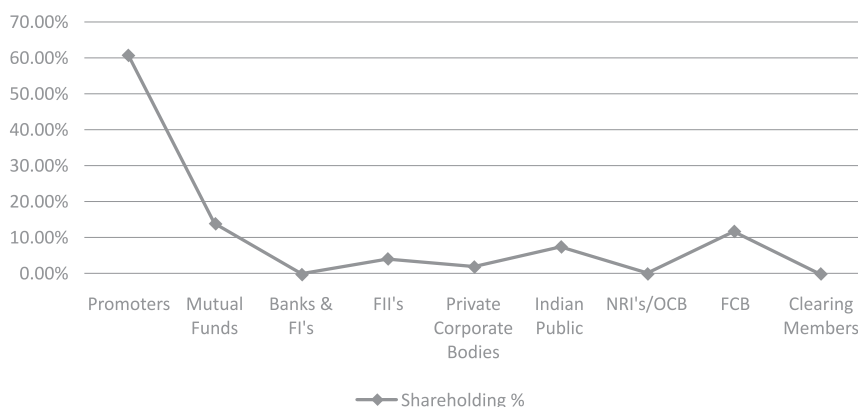
**XIII The Distribution of Shareholding as at 31st March 2010**

Shareholding of Nominal Value	Number of Holders	% of Total Shareholders	Share Capital Amount	% of Total Capital
1 to 5000	5313	92.93	6065910	4.73
5001 to 10000	205	3.59	1714130	1.34
10001 to 20000	83	1.45	1289740	1.01
20001 to 30000	35	0.61	871260	0.68
30001 to 40000	16	0.28	571530	0.44
40001 to 50000	12	0.21	563670	0.44
50001 to 100000	18	0.32	1388580	1.08
100001 to 99999999	35	0.61	115737180	90.28
<b>Total</b>	<b>5717</b>	<b>100.00</b>	<b>128202000</b>	<b>100.00</b>

**XIV Dematerialisation of Shares:**

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE580C01019. The equity shares of the Company representing 98.63% of the Company's paid up equity capital are dematerialized up to March 31, 2010.

**XV Category of Shareholders as on 31st March 2010**



**XVI Shareholding Pattern as on 31st March, 2010**

<b>Category</b>	<b>No. of. Share Held</b>	<b>% of Share Holding</b>
<b>A. Promoter's Holding</b>		
1. Promoter's holding		
a. Indian Promoters	77,66,947	60.58%
b. Foreign Promoters	Nil	Nil
2. Persons acting in concert	Nil	Nil
Sub Total	77,66,947	60.58%
<b>B. Non Promoters Holding</b>		
3. Institutional Investors		
a. Mutual Funds	13,83,540	10.79%
b. Banks, Financial Institutions	100	0.00078%
c. FIs	5,27,039	4.11%
d. Insurance Companies Central/ State Govt. Institutions, Non Government Institutions)	Nil	Nil
Sub Total	19,10,679	14.90%
<b>C. Others</b>		
a. Private Corporate Bodies	4,00,433	3.12%
b. Indian Public	11,48,805	8.97%
c. NRIs/ OCBs	17,871	0.14%
d. Any Other (Foreign Corporate Body)	15,00,000	11.70%
e. Clearing Member	75,465	0.59%
Sub Total	31,42,574	24.52%
<b>GRAND TOTAL</b>	<b>1,28,20,200</b>	<b>100.00%</b>

**DECLARATION BY MANAGING DIRECTOR UNDER  
CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members  
**ABG Infralogistics Limited**

I, Saket Agarwal, Managing Director of ABG Infralogistics Limited declare that to the best of my knowledge and belief, all the Members of the Board and Senior Management Personnel of the company have affirmed their respective compliances with the applicable code of conduct during the year ended 31st March, 2010.

Mumbai, 29th May, 2010

**Saket Agarwal**  
Managing Director

## AUDITORS' REPORT ON CORPORATE GOVERNANCE

To The Member of,  
**ABG Infralogistics Limited**

We have examined the compliance of conditions of Corporate Governance by ABG Infralogistics Limited, for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

*As against the requirement to have three independent directors on the Board in view of its present composition and in terms of the aforesaid clause of the Listing Agreement, the Company had two independent directors on Board during the period from 1st April, 2009 to 10th August, 2009.*

Subject to foregoing, in our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that while the Shareholders/Investors Grievances Committee has not maintained records to show the investor grievances pending for a period of one month against the Company, the Registrars of the Company have maintained the records of investor grievances and certified that as at 31st March, 2010, there are no investor grievances remaining unattended/pending for more than 30 days.

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

For **M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Registration No. 112941W)

**M. M. Chaturvedi**  
Partner  
Membership No. : 31118  
Place : Mumbai  
Dated : 29th May, 2010

## AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENT OF ABG INFRALOGISTICS LIMITED AND ITS SUBSIDIARIES

To The Board of Directors,  
**ABG Infralogistics Limited**

We have examined the attached Consolidated Balance Sheet of ABG INFRALOGISTICS LIMITED ("the company") and its Subsidiary Companies as at 31st March, 2010 and also the Consolidated Profit and Loss Account and 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.

We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and 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 management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

The company has Nine subsidiaries, ABG Kolkata Container Terminal Private Limited, ABG Kandla Container Terminal Limited, ABG Projects & Services Limited (UK), ABG Ports Private Limited, ABG LDA Bulk Handling Private Limited, ABG Haldia Bulk Terminals Private Limited, ABG Coastal Private Limited, ABG Container Handling Private Limited and ABG-LDA Marine Private Limited. The accounts of all of the aforesaid subsidiary companies, except ABG Projects & Services Limited (UK), have been audited by us. The financial statement of ABG Projects & Services Limited (UK), reflecting total assets of Rs. 3.35 lacs, total loss of Rs.3.52 lacs and cash flows (net) amounting to Rs.4.23 lacs has been audited by Blick Rothenberg (U.K) whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of UK subsidiary, is based solely on the their report.

We report that the consolidated financial statement have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (AS-21) on Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

Based on our audit and on consideration of report of other auditor on separate financial statements and on the basis of the information and explanations given to us, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiaries as at 31st March, 2010;
- (b) in the case of the Consolidated Profit and Loss Account, of the Loss of the Company and its subsidiaries for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow statement, of the cash flows of the Company and its subsidiaries for the year ended on that date.

For **M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Registration No. 112941W)

**M. M. Chaturvedi**  
Partner  
Membership No. : 31118  
Place : Mumbai  
Dated : 29th May, 2010

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

	Sch.	As at 31st March, 2010		As at 31st March, 2009	
		Rs.	Rs.	Rs.	Rs.
<b>SOURCES OF FUNDS:</b>					
<b>Shareholders' Fund</b>					
Share Capital	A	128,202,000		128,202,000	
Reserve and Surplus	B	<u>5,454,852,964</u>	<u>5,583,054,964</u>	<u>4,863,040,556</u>	4,991,242,556
<b>DEFERRED TAX LIABILITY</b>			<b>168,910,940</b>		116,373,115
<b>LOAN FUNDS</b>					
Secured Loans	C	5,897,503,756		5,461,501,709	
Unsecured Loans		<u>40,000,000</u>	<u>5,937,503,756</u>	–	5,461,501,709
<b>Minority Interest</b>			<b>238,071,359</b>		189,717,401
			<u><b>11,927,541,019</b></u>		<u>10,758,834,781</u>
<b>APPLICATION OF FUNDS:</b>					
<b>FIXED ASSETS</b>					
Gross Block	D	9,931,812,254		8,922,032,793	
Less: Accumulated Depreciation		<u>2,650,300,858</u>		<u>2,050,570,896</u>	
Net Block		7,281,511,396		6,871,461,897	
<b>Add: Capital Work in Progress</b>		<u><b>1,419,413,279</b></u>	<u><b>8,700,924,675</b></u>	<u>1,315,999,839</u>	8,187,461,736
<b>INVESTMENTS</b>	E		<b>121,120,000</b>		121,120,000
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>					
Sundry Debtors	F	622,899,685		432,546,542	
Cash and Bank balances		1,857,221,958		1,359,521,447	
Loans and Advances		<u>1,241,502,777</u>		<u>1,252,045,264</u>	
		<b>3,721,624,420</b>		<b>3,044,113,253</b>	
<b>Less: Current Liabilities &amp; Provisions</b>	G	<u><b>616,128,076</b></u>		<u>593,860,208</u>	
<b>NET CURRENT ASSETS</b>			<u><b>3,105,496,344</b></u>		<u>2,450,253,045</u>
			<u><b>11,927,541,019</b></u>		<u>10,758,834,781</u>

SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES ON ACCOUNTS

L

As per our attached report of even date

For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118  
Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

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

	Sch.	2009-10 Rs.	2008-09 Rs.
<b>INCOME:</b>			
Operational receipts	H	2,004,413,756	2,092,698,386
Other income	I	125,912,739	166,029,226
<b>Total</b>		<u>2,130,326,495</u>	<u>2,258,727,612</u>
<b>EXPENDITURE</b>			
Payments to and provision for employees	J	141,441,620	129,643,167
Operational and other expenses	K	567,013,879	552,990,086
Royalty to Port		214,023,721	228,561,088
Interest		548,962,387	478,866,489
Lease equalisation charges		-	2,799,122
Depreciation		675,942,445	743,422,544
		<u>2,147,384,052</u>	<u>2,136,282,496</u>
<b>NET PROFIT / (LOSS) BEFORE TAX</b>		<b>(17,057,557)</b>	122,445,116
Less : Provision for Income Tax		(51,097,863)	(33,430,664)
Less : Provision for Fringe Benefit Tax		-	(2,605,921)
Less : Provision of Deferred Tax		(52,537,825)	(31,028,340)
Add : Reversal for Tax for earlier year		3,139,589	-
<b>NET PROFIT / (LOSS) AFTER TAX</b>		<b>(117,553,656)</b>	55,380,191
Less : Minority interest		(47,393,177)	(22,398,172)
		<u>(164,946,833)</u>	32,982,019
Add : Balance brought forward from pervious year		383,107,249	417,621,202
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>218,160,416</b>	450,603,221
<b>APPROPRIATIONS</b>			
Interim Dividend		94,518,000	51,280,800
Dividend Distribution Tax		27,885,122	8,715,172
Transfer to General Reserve		26,000,000	7,500,000
Balance carried to Balance Sheet		69,757,294	383,107,249
		<u>218,160,416</u>	<u>450,603,221</u>
Basic / Diluted Earning per Equity Share of Rs. 10/- each		<b>(12.87)</b>	2.57

**SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES ON ACCOUNTS**
**L**

As per our attached report of even date

For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118

Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010**

	(Rs. in Lacs)			
	2009-10		2008-09	
	Rs.	Rs.	Rs.	Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax as per Profit and Loss Account		<b>(170.58)</b>		1,224.45
<b>Adjustments for :</b>				
Lease equalisation	-		27.99	
Depreciation	<b>6,759.43</b>		7,434.23	
Loss / (Profit) on sale of Fixed assets	<b>(693.65)</b>		0.14	
Foreign currency translation reserve	<b>(0.23)</b>		(0.14)	
Interest income	<b>(560.06)</b>		(1,035.56)	
Share Issue expenses written off	<b>21.63</b>		24.95	
Interest expenses	<b>5,489.62</b>		4,788.66	
Dividend income	-		(305.61)	
Loss/(Profit) on Sale of Mutual Fund Units	-		5.15	
Bad Debts written off	<b>7.53</b>		197.67	
Provision for Leave Encashment	<b>3.82</b>		7.29	
Provision for gratuity	<b>4.87</b>		-	
Excess provision of Gratuity written back	-		(0.98)	
		<b>11,032.96</b>		11,143.79
<b>Operating Profit before working capital changes</b>		<b>10,862.38</b>		12,368.24
Adjusted for				
Decrease/(Increase) in Trade and Other Receivable	<b>(1,396.15)</b>		(4,806.42)	
Increase/(Decrease) in Trade Payables	<b>310.65</b>		295.19	
		<b>(1,085.50)</b>		(4,511.23)
<b>Cash generated from operations</b>		<b>9,776.88</b>		7,857.01
Taxes paid / refund net		<b>(1,169.90)</b>		(2,984.21)
<b>Net Cash from Operating Activities</b>		<b>8,606.98</b>		4,872.80
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed assets	<b>(12,907.87)</b>		(32,337.28)	
Sale/Deduction of Fixed Assets	<b>1,707.47</b>		0.77	
Interest income	<b>560.06</b>		1,035.56	
Dividend income	-		305.61	
Sale of Investments	-		5,769.81	
<b>Net Cash used in Investing Activities</b>		<b>(10,640.34)</b>		(25,225.53)



	(Rs. in Lacs)			
	2009-10		2008-09	
	Rs.	Rs.	Rs.	Rs.
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from issue of shares to minorities	9.61		1,000.00	
Share issue expenses	(220.17)		(451.38)	
Share Premium	8,990.39		23,000.00	
Proceeds of secured loans	4,360.02		27,961.46	
Repayment of secured loans	-		(14,441.31)	
Proceeds of unsecured loans	400.00		-	
Repayment of unsecured loans	-		(2,983.15)	
Dividends paid	(942.61)		(1,276.21)	
Interest paid	(5,586.87)		(4,730.55)	
<b>Net Cash from Financing Activities</b>		<b>7,010.37</b>		<b>28,078.86</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>4,977.01</b>		<b>7,726.13</b>
Opening Balance of Cash and Cash Equivalents		13,595.21		5,869.08
<b>Closing Balance of Cash and Cash Equivalents</b>		<b>18,572.22</b>		<b>13,595.21</b>

(Note : Components of cash and cash equivalents are given under Cash and Bank Balances in Schedule "F" annexed to Balance Sheet as at 31st, March 2010)

As per our attached report of even date

For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118

Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

**SCHEDULES ANNEXED TO AND FORMING PART OF  
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010**

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE "A"</b>				
<b>SHARE CAPITAL</b>				
<b>Authorised :</b>				
30,000,000 Equity Shares (Previous year:30,000,000) of Rs. 10/- each	300,000,000		300,000,000	
	300,000,000		300,000,000	
<b>Issued, Subscribed and Paid-up :</b>				
12,820,200 Equity Shares (Previous year:12,820,200) of Rs.10/- each fully paid. Out of above shares, 7,253,400 shares are allotted as fully paid by way of bonus shares and 400 shares, re-allotted after forfeiture	128,202,000		128,202,000	
	128,202,000		128,202,000	
<b>As at 31st March, 2010</b>				
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE "B"</b>				
<b>RESERVES AND SURPLUS</b>				
<b>a) Capital Reserve</b>				
As per last Balance Sheet	10,000,000		10,000,000	
<b>b) Capital Redemption Reserve</b>				
As per last Balance Sheet	99,500,000		99,500,000	
<b>c) Investment Allowance Reserve (Utilised)</b>				
As per last Balance Sheet	9,000,000		9,000,000	
<b>d) General Reserve</b>				
As per last Balance Sheet	1,077,455,664		1,047,185,934	
Add : Amount transferred from Profit and Loss Account	26,000,000		7,500,000	
Add : Net exchange translation loss for the financial year 2007-08 capitalised by credit to General Reserve pursuant to Companies (Accounting Standards) Amendment Rules 2009 (See Note 1(C) in Schedule 'L')	– 1,103,455,664		22,769,730	1,077,455,664
<b>e) Securities Premium Account</b>				
As per last Balance Sheet	3,284,150,008		1,026,793,150	
Received during the year	899,039,220		2,300,000,000	
	4,183,189,228		3,326,793,150	
Less : Balance in preliminary and Share Issue Expenses adjusted	19,854,000	4,163,335,228	42,643,142	3,284,150,008
<b>f) Foreign Currency Translation Reserve</b>		(195,222)		(172,365)
<b>g) Balance in Profit and Loss Account</b>		69,757,294		383,107,249
		5,454,852,964		4,863,040,556

**SCHEDULES ANNEXED TO AND FORMING PART OF  
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010**

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE "C"</b>				
<b>LOAN FUNDS</b>				
<b>I. SECURED LOANS</b>				
<b>TERM LOANS</b>				
<b>FROM BANKS</b>				
Foreign Currency Loans	<b>1,220,858,485</b>		1,458,215,163	
Rupee Loans	<b>3,795,654,737</b>	<b>5,016,513,222</b>	3,247,564,085	4,705,779,248
From Finance Companies (Rupee Loans)		<b>880,990,534</b>		755,722,461
		<b>5,897,503,756</b>		5,461,501,709
<b>Note :-</b>				
Term Loans are secured by hypothecation of plant and machinery financed there-against and part of the receivables under specific charter hire agreements.				
<b>II. UNSECURED LOANS</b>				
Short term loans from Banks		<b>40,000,000</b>		-
		<b>40,000,000</b>		-
<b>TOTAL LOAN FUNDS (I + II)</b>		<b>5,937,503,756</b>		5,461,501,709

## SCHEDULES ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

### SCHEDULE "D" FIXED ASSETS

(In Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2009	Additions during the year	Deductions during the year	Total as at 31.03.2010	As at 01.04.2009	Depreciation during the year	Deduction during the year	up to 31.03.2010	As at 31.03.2010	As at 31.03.2009
FreeHold Land	118,487,881	3,627,891	–	<b>122,115,772</b>	–	–	–	–	<b>122,115,772</b>	118,487,881
Building	11,548,556	1,125,000	–	<b>12,673,556</b>	2,960,230	397,281	–	<b>3,357,511</b>	<b>9,316,045</b>	8,588,326
Plant and Machinery	8,719,765,772	1,174,499,415	176,732,758	<b>9,717,532,429</b>	2,022,336,536	669,336,298	75,896,484	<b>2,615,776,350</b>	<b>7,101,756,079</b>	6,697,429,236
Office Equipment	31,062,831	2,688,131	–	<b>33,750,962</b>	9,441,351	2,521,168	–	<b>11,962,519</b>	<b>21,788,443</b>	21,621,480
Motor Car	18,717,695	3,115,475	861,676	<b>20,971,494</b>	8,449,642	1,655,965	315,999	<b>9,789,608</b>	<b>11,181,886</b>	10,268,053
Furniture and Fixture	17,602,218	2,317,983	–	<b>19,920,201</b>	6,002,469	1,245,898	–	<b>7,248,367</b>	<b>12,671,834</b>	11,599,749
<b>Intangibles Assets</b>										
Computer Software	4,847,840	–	–	<b>4,847,840</b>	1,380,668	785,835	–	<b>2,166,503</b>	<b>2,681,337</b>	3,467,172
<b>Total</b>	8,922,032,793	1,187,373,895	177,594,434	<b>9,931,812,254</b>	2,050,570,896	675,942,445	76,212,483	<b>2,650,300,858</b>	<b>7,281,511,396</b>	6,871,461,897
Previous year	6,355,088,367	2,567,247,465	303,039	8,922,032,793	1,307,360,679	743,422,544	212,327	2,050,570,896	6,871,461,897	

**SCHEDULES ANNEXED TO AND FORMING PART OF  
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010**

	As at 31st March, 2010			As at 31st March, 2009	
	Face Value	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>SCHEDULE "E"</b>					
<b>INVESTMENTS</b>					
Long Term Investments					
(Other than Trade) : Unquoted					
<b>Equity Shares :</b>					
Lexicon Finance Ltd.	Rs. 10/-	100,000	1,000,000	100,000	1,000,000
South West Port Limited	Rs. 10/-	12,012,000	120,120,000	12,012,000	120,120,000
			<u>121,120,000</u>		<u>121,120,000</u>

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE "F"</b>				
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
<b>(A) CURRENT ASSETS</b>				
<b>i) Sundry Debtors</b>				
(Unsecured & Considered good)				
For a period exceeding six months		296,170,800		179,942,397
Others		326,728,885		252,604,145
			<u>622,899,685</u>	<u>432,546,542</u>
<b>ii) Cash and Bank Balances</b>				
Cash and Cheques on hand		61,572,107		77,694,554
<b>Balance with Scheduled Banks :</b>				
In Current Accounts		209,103,583		98,136,117
In Fixed Deposits		1,586,546,268		1,183,690,776
			<u>1,857,221,958</u>	<u>1,359,521,447</u>
			<u>2,480,121,643</u>	<u>1,792,067,989</u>
<b>(B) LOANS AND ADVANCES</b>				
(Unsecured and considered good)				
Advances (Recoverable in cash or in kind or for value to be received)		669,152,399		732,791,539
Security deposits		375,368,447		363,220,123
Advance payment of tax (Net of provisions)		196,981,931		156,033,602
			<u>1,241,502,777</u>	<u>1,252,045,264</u>
			<u>3,721,624,420</u>	<u>3,044,113,253</u>



**SCHEDULES ANNEXED TO AND FORMING PART OF CONSOLIDATED  
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	2009-10 Rs.	2008-09 Rs.
<b>SCHEDULE "H"</b>		
<b>OPERATIONAL RECEIPTS</b>		
Charter Hire of Plant and Machinery	1,545,735,040	1,570,532,539
Terminal Handling charges	418,151,382	427,067,578
Service charges including Crane Mobilisation charges	40,527,334	95,098,269
	<u>2,004,413,756</u>	<u>2,092,698,386</u>
<b>SCHEDULE "I"</b>		
<b>OTHER INCOME</b>		
Interest Income (Gross) (Tax deducted at source Rs. 7,709,867/-) (Previous year : Rs. 23,124,001/-)	56,006,328	103,556,485
Miscellaneous income	541,364	2,675,147
Prior period adjustment	-	1,036,419
Dividend received	-	30,561,175
Profit on sale of Cranes / Business	69,365,047	-
Liquidated Damages	-	28,200,000
	<u>125,912,739</u>	<u>166,029,226</u>
<b>SCHEDULE "J"</b>		
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salary and Bonus	125,923,809	113,699,626
Contribution to Provident Fund	8,535,615	7,901,389
Staff Welfare Expenses	6,982,196	8,042,152
	<u>141,441,620</u>	<u>129,643,167</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF CONSOLIDATED  
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	<b>2009-10</b>	<b>2008-09</b>
	Rs.	Rs.
<b>SCHEDULE "K"</b>		
<b>OPERATIONAL AND OTHER EXPENSES</b>		
Sub-contractors Charges	1,219,209	3,465,962
Power and Fuel	114,170,679	106,923,390
Insurance	21,775,167	22,997,826
Stores and Spares Consumed	87,522,801	41,091,099
Repairs and Maintenance to Machinery	34,900,999	29,583,355
Repairs and Maintenance to Building	327,523	65,743
Travelling, Conveyance and Car Expenses	30,702,313	31,749,708
Advertisement and Business Promotion Expenses	8,891,374	5,865,148
Rent	20,990,640	19,655,521
Lease / Hire charges for Equipment	3,380,118	1,166,044
Rates and Taxes	19,112,899	17,075,787
Postage and Telephone	3,747,863	3,548,552
Bank Charges	47,751,874	33,687,467
Freight, Transportation and Crane Mobilisation Charges	36,335,947	39,240,853
Printing and Stationery	3,220,006	2,729,099
Miscellaneous Expenses	17,041,990	14,672,901
Loss on sale of Fixed Asset	-	13,682
Loss on sale of Investments	-	514,645
Legal and Professional Charges	35,136,596	17,767,479
Donation	1,402	1,301
Directors Sitting Fees	85,000	22,500
Loss / (Gain) on Foreign Exchange	(30,283,812)	65,433,065
Preliminary and Share Issue Expenses written off	2,163,434	2,495,101
Prior period adjustments	679,339	61,379
Bad Debts written off	752,562	19,767,452
License Fees	78,094,672	59,899,784
Amortisation of upfront Fees to Port	4,997,489	3,333,335
Labour Charges	7,468,309	8,669,029
Liquidated Damages	12,100,000	-
Rebates & Discount	3,386,945	-
Security Charges	1,340,541	1,492,879
	<u>567,013,879</u>	<u>552,990,086</u>



**SCHEDULE ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET OF THE COMPANY AS AT 31ST MARCH, 2010 AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

**SCHEDULE L : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**1. SIGNIFICANT ACCOUNTING POLICIES:**

**(A) BASIS OF CONSOLIDATION**

- (i) The consolidated financial statements comprise the financial statements of ABG Infralogistics Ltd. ("the Company") and its nine subsidiary Companies viz., ABG Kolkata Container Terminal Private Limited (incorporated in India and 50.97% shares in the subsidiary Company are held by the Company), ABG Kandla Container Terminal Limited (incorporated in India and 99.99% shares in the subsidiary Company are held by the Company), ABG Ports Private Limited (incorporated in India and 91.96% shares in the subsidiary Company are held by the Company directly and 8.04% indirectly through a Subsidiary Company), ABG LDA Bulk Handling Private Limited (incorporated in India and 51% shares are held by the Company indirectly through a subsidiary Company), ABG Haldia Terminals Private Limited (incorporated in India and 26% shares in the subsidiary Company are held by the Company directly and 74% indirectly through subsidiary Companies), ABG Coastal Private Limited (incorporated in India and is a wholly owned subsidiary of a subsidiary of the Company), ABG Container Handling Private Limited (incorporated in India and is a wholly owned subsidiary of a subsidiary of the Company), ABG-LDA Marine Private Limited (incorporated in India and is a wholly owned subsidiary of a subsidiary of the Company) and ABG Projects & Services Limited (UK) (incorporated in United Kingdom and is a wholly owned subsidiary Company).
- (ii) The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealized profits or losses as per Accounting Standard-21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
- (iii) ABG Projects & Services Limited (UK.) is a wholly owned subsidiary of the Company and therefore, the information pertaining to minority shareholder is not applicable in respect thereof. Minority Shareholders' information with regard to other Subsidiary Companies has been disclosed in the Consolidated Balance Sheet.
- (iv) In translating the financial statements of foreign entity for incorporation in the Consolidated Financial Statements, the assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date, and the income and expense items are translated at the average exchange rates for the period. The resulting exchange differences are classified as Foreign currency translation reserve.
- (v) Investment of the Company in South West Port Limited, an associate company, has not been accounted for in Consolidated Financial Statements under equity method as the investment is held exclusively with a view to its subsequent disposal, at par as per agreed terms, subject to necessary approvals.

**(B) OTHER SIGNIFICANT ACCOUNTING POLICIES**

These are set out under Significant Accounting Policies in the Notes to Accounts of the respective companies.

**(C) CHANGE IN ACCOUNTING POLICY IN PREVIOUS YEAR**

During previous year, the Company opted for accounting the exchange differences in accordance with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 which allow foreign exchange differences on long-term monetary items to be capitalized to the extent they relate to acquisition of capital assets, retrospectively from April 1, 2007. Accordingly net exchange translation losses of Rs 956.48 Lacs were added to the cost of Capital assets. This amount included Rs 227.69 Lacs pertaining to the previous year ended 31st March, 2008 which was credited to General Reserve during the previous year.

**2. CONTINGENT LIABILITIES (Not provided for)**

- (i) Outstanding Bank guarantees as on 31.03.2010: Rs.86.94 Crores. (Previous year: Rs.57.33 Crores).
- (ii) Letters of credit issued by Bank, not provided in books: Rs.0.18 Crores. (Previous year: Rs. Nil).
- (iii) Estimated amount of contracts remaining to be executed on Capital account (net of advance) Rs.1.08 Crores (Previous year: Rs. 318.26 Crores).
- (iv) No provision has been made in respect of income tax demands amounting to Rs. 2.78 Crores (Previous year: Rs. 2.78 Crores) which are pending in appeals.

- (v) No provision has been made for Income tax demands of Rs.4.51 Crores (previous year Rs.4.51 Crores) which have been dismissed by Commissioner of Income Tax (Appeals) and department has preferred appeals before Income Tax Appellate Tribunal.
- (vi) No provision has been made for sales tax demands of Rs. 6.96 Crores (Previous Year: Rs.6.96 Crores) which have been disputed by the Company.
- (vii) Kandla Port Trust has made claims of Rs. 15.81 Crores on ABG Kandla Container Terminal Limited, a subsidiary company, which has contested the said claims and not acknowledged the same as debt and accordingly not provided for in accounts.
3. As the Company does not have distinguishable business segments, the requirement to give segment reporting as per Accounting Standard (AS 17) on Segment Reporting issued by the Institute of Chartered Accountants of India is not applicable.
4. Deferred Tax Assets and Liabilities are attributable to the following items :-

Particulars	<b>Deferred Tax Asset/(Liabilities) As on 31.03.2010 Rs.</b>	Deferred Tax Asset/(Liabilities) As on 31.03.2009 Rs.
<b>a) Deferred Tax Liability:</b>		
Difference between Tax and Book WDV	<b>205,213,309</b>	127,809,687
<b>b) Deferred Tax Assets:</b>		
Expenses allowable for Tax purpose when paid	<b>655,326</b>	836,572
Tax Credits available for setoff in future	<b>35,647,043</b>	10,600,000
<b>Net Deferred Tax Liability</b>	<b>168,910,940</b>	116,373,115

5. Earning per Share (EPS) is calculated as under :-

Particulars	<b>2009-10 Rs.</b>	2008-2009 Rs.
a) Numerator - Net Profit as disclosed in Profit and Loss Account	<b>(164,946,833)</b>	32,982,019
b) Denominator - Number of Equity Shares outstanding (Opening and Closing number is same)	<b>12,820,200</b>	12,820,200
c) Denominator - Nominal value of shares	<b>Rs. 10/-</b>	Rs. 10/-
d) Earning per Share	<b>Rs. (12.87)</b>	Rs. 2.57

6. Disclosure in respect of Related Parties pursuant to Accounting Standard 18:

a) List of Related Parties

- (i) Parties (Companies over which directors / relatives are able to exercise significant influence) with whom the company has entered into transaction during the year

ABG Shipyard Limited  
PFS Shipping (India) Ltd.  
B. F. Engineering Limited  
Agbros Leasing and Finance Limited  
Oblique Trading Private Limited  
South West Port Limited  
ABG Power Private Limited  
ABG Cranes Private Limited  
ABG Cement Limited  
Tagus Engineering Private Limited  
Aspen Material Handling Private Limited

- (ii) Key Management Person

Mr. Saket Agarwal, Managing Director

## b) Disclosure of related party transactions:

Particulars	Companies over which Directors / relatives able to exercise significant Influence (Rs. in Lacs)	Key Management Person (Rs. in Lacs)
1. Rent	<b>33</b> (31)	- (-)
2. Salary and perquisites	- (-)	<b>72</b> (72)
3. Sale of Fixed Assets	<b>1801</b> (-)	- (-)
4. Refund of advances given	<b>150</b> (-)	- (-)
5. Purchase of Stores and Spares	<b>22</b> (-)	- (-)
6. Security Deposits given	<b>135</b> (1750)	- (-)
<b>7. Outstanding balances as on 31.03.2010</b>		
a. Trade Payable	<b>15</b> (1)	- (-)
b. Trade Receivable	<b>661</b> (241)	<b>26</b> (8.45)
c. Security Deposits against premises	<b>3124</b> (3081)	- (-)
d. Investment in Associates	<b>1201</b> (1201)	- (-)
e. Advance to Associates	<b>125</b> (125)	- (-)

**Notes:**

- i) No amount pertaining to related parties have been provided for as doubtful debts. Also, no amounts have been written off or written back during the year.
  - ii) Figures in brackets are the corresponding figures in respect of previous year.
9. Previous year's figures have been regrouped wherever necessary to conform to the current year's presentation.

**SIGNATURES TO SCHEDULE A TO L**

As per our attached report of even date

 For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118

 Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

## AUDITORS' REPORT

### To the Members of ABG Infralogistics Limited

1. We have audited the attached Balance Sheet of ABG Infralogistics Limited ("the Company") as at 31st March, 2010, the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date, both 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 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 principle used and significant estimates made by 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, issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose 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 report as follows:
  - (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 it appears from our examination of those books;
  - (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by 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 comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 31st March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:
    - (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 and Loss Account, of the **profit** of the Company for the year ended on that date; and
    - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Registration No. 112941W)

**M. M. Chaturvedi**  
Partner  
Membership No. : 31118

Mumbai, 29th May, 2010

## ANNEXURE TO AUDITORS' REPORT

(The Annexure referred to in paragraph 3 of the Auditors' Report of even date to the members of ABG Infralogistics Limited on the accounts for the year ended 31st March, 2010)

- 1 In respect of its fixed assets
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except furniture and fixtures and office equipments for which records are explained to be under preparation.*
  - b. According to the information and explanations given to us, a major portion of the fixed assets has been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information given to us, no material discrepancy has been noticed on such verification as compared to records, *where available.*
  - c. In our opinion, the Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern status.
2. According to the information and explanations given to us, the Company's nature of operations does not require it to hold inventories and accordingly, clause 4(ii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a. According to the information and explanations given to us, the Company has not given any new loan to any of the aforesaid parties. Aggregate loans outstanding from two subsidiary companies at the end of the year amount to Rs. 393.81 lacs and the maximum amount outstanding from the said companies at any time during the year is Rs.725.09 lacs.
  - b. In our opinion and according to the information and explanations given to us, the rates of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - c. According to the information and explanations given to us, the aforesaid loans are repayable on demand.
  - d. As the aforesaid loans given by the Company are repayable on demand, the question of overdue amount does not arise.
  - e. According to the information and explanations given to us, the Company has taken loans from a subsidiary company during the year amounting to Rs.2053 lacs. Aggregate loans outstanding to the said subsidiary company at the end of the year amount to Rs. 1,112 lacs and the maximum amount outstanding payable to the said company at any time during the year is Rs. 6,030 lacs.
  - f. In our opinion and according to the information and explanations given to us, the rates of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - g. As the aforesaid loans given by the Company are repayable on demand, the question of overdue amount does not arise.
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 for purchases of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not noted any continuing failure to correct major weakness in the internal control system during the course of the audit.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - a. In our opinion, and according to the information and representations given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered in the register maintained under section 301 of the Companies Act 1956 have been so entered.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance to contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956 exceeding the value of rupees five lacs in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
7. *The Company does not have a formal internal audit system.* However, according to the information and explanations given to us, operating control systems are commensurate with the size of the Company and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenances of cost records, under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 in respect of services carried out by the Company.

9. a. According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess wherever applicable and any other material statutory dues applicable to it with the appropriate authorities *except in a few cases where there have been slight delays*. According to the information given to us, no undisputed amounts in respect of aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, the disputed statutory dues have not been deposited on account of matters pending before appropriate authorities as under :-

Nature of dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Sales Tax	1,799,088	1996-1997	Chennai High Court
	5,133,109	1997-1998	
	5,458,212	1998-1999	
	15,371,120	1999-2000	
	17,117,882	2000-2001	
	7,301,689	2001-2002	
	9,302,847	2002-2003	
<b>TOTAL</b>	<b>61,483,947</b>		

10. Company has no accumulated losses and has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted loans and advance on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 order is not applicable.
15. 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.
16. According to the information and explanations given to us, the term loans availed by the Company have been applied during the year for the purposes for which they were raised.
17. 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 investments.
18. The Company has not made any preferential allotment of share to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Registration No. 112941W)

**M. M. Chaturvedi**  
Partner  
Membership No. : 31118

Mumbai, 29th May, 2010

**STANDALONE ACCOUNTS**

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

	Sch.	As at 31st March, 2010		As at 31st March, 2009	
		Rs.	Rs.	Rs.	Rs.
<b>SOURCES OF FUNDS:</b>					
<b>Shareholders' Fund</b>					
Share Capital	A	128,202,000		128,202,000	
Reserve and Surplus	B	<u>2,384,671,831</u>	<u>2,512,873,831</u>	<u>2,340,152,347</u>	<u>2,468,354,347</u>
<b>DEFERRED TAX LIABILITY</b>			<b>140,788,077</b>		<b>101,273,115</b>
<b>LOAN FUNDS</b>					
Secured Loans	C	<b>3,505,429,790</b>		<b>4,340,409,002</b>	
Unsecured Loans		<u>111,218,928</u>	<u>3,616,648,718</u>	<u>562,595,725</u>	<u>4,903,004,727</u>
			<u><b>6,270,310,626</b></u>		<u><b>7,472,632,189</b></u>
<b>APPLICATION OF FUNDS:</b>					
<b>FIXED ASSETS</b>					
Gross Block	D	<b>6,561,899,355</b>		<b>7,178,911,406</b>	
Less: Accumulated Depreciation		<u>2,076,622,182</u>		<u>1,777,186,955</u>	
Net Block		<b>4,485,277,173</b>		<b>5,401,724,451</b>	
<b>Add: Capital Work in Progress</b>		<u><b>177,278,425</b></u>	<u><b>4,662,555,598</b></u>	<u><b>532,646,877</b></u>	<u><b>5,934,371,328</b></u>
<b>INVESTMENTS</b>	E		<b>294,514,254</b>		<b>293,979,454</b>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>					
Sundry Debtors	F	<b>500,734,582</b>		<b>394,823,290</b>	
Cash and Bank balances		<b>163,617,890</b>		<b>136,627,079</b>	
Loans and Advances		<u>1,000,213,397</u>		<u>1,127,461,657</u>	
		<b>1,664,565,869</b>		<b>1,658,912,026</b>	
<b>Less: Current Liabilities &amp; Provisions</b>	G	<u><b>351,325,095</b></u>		<u><b>414,630,619</b></u>	
<b>NET CURRENT ASSETS</b>			<u><b>1,313,240,774</b></u>		<u><b>1,244,281,407</b></u>
			<u><u><b>6,270,310,626</b></u></u>		<u><u><b>7,472,632,189</b></u></u>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>					
	L				

As per our attached report of even date

For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118  
Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary



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

	Sch.	2009-10 Rs.	2008-09 Rs.
<b>INCOME:</b>			
Operational Receipts	H	1,370,041,025	1,490,604,929
Other Income	I	188,939,536	22,138,008
Total		<u>1,558,980,561</u>	<u>1,512,742,937</u>
<b>EXPENDITURE</b>			
Payments to and provision for employees	J	81,233,825	91,175,151
Operational and other expenses	K	448,765,173	312,796,562
Royalty to Port		6,985,640	19,383,570
Interest		396,866,418	365,020,748
Lease equalisation charges		-	2,799,122
Depreciation		465,699,494	618,695,327
		<u>1,399,550,550</u>	<u>1,409,870,480</u>
<b>NET PROFIT BEFORE TAX</b>		<b>159,430,011</b>	<b>102,872,457</b>
Less : Provision for Tax		15,500,000	13,412,765
Less : Provision of Deferred Tax		39,514,962	15,928,340
Less : Provision for Fringe Benefit Tax		-	2,020,000
Less : Provision for Tax for earlier year		97,665	-
<b>NET PROFIT AFTER TAX</b>		<b>104,317,384</b>	<b>71,511,352</b>
Add : Balance brought forward from pervious year		455,752,683	451,737,303
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>560,070,067</b>	<b>523,248,655</b>
<b>APPROPRIATIONS</b>			
Interim Dividend		51,280,800	51,280,800
Dividend Distribution Tax		8,517,100	8,715,172
Transfer to General Reserve		11,000,000	7,500,000
Balance carried to Balance Sheet		489,272,167	455,752,683
		<u>560,070,067</u>	<u>523,248,655</u>
Basic / Diluted Earning per Equity Share of Rs. 10/- each		<b>8.14</b>	<b>5.58</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	<b>L</b>		

As per our attached report of even date

For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118  
Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

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

	(Rs. in Lacs)			
	2009-10		2008-09	
	Rs.	Rs.	Rs.	Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax as per Profit and Loss Account		<b>1,594.30</b>		1,028.72
<b>Adjustments for :</b>				
Lease equalisation	-		27.99	
Depreciation	<b>4,656.99</b>		6,186.95	
Loss / (Profit) on sale of Fixed Assets/Business	<b>(1,121.65)</b>		0.14	
Interest income	<b>(57.47)</b>		(74.80)	
Interest expenses	<b>3,968.66</b>		3,650.21	
Loss/(Profit) on Sale of Investment	-		5.15	
Excess provision for Leave encashment written back	<b>(3.84)</b>		-	
Excess provision for Gratuity written back	<b>(1.49)</b>		(5.49)	
Provision for Leave Encashment	-		4.48	
Dividend Income	<b>(707.26)</b>		(110.90)	
		<b>6,733.94</b>		9,683.73
<b>Operating Profit before working capital changes</b>		<b>8,328.24</b>		10,712.45
Adjusted for				
Decrease/(Increase) in Trade and Other Receivable	<b>552.27</b>		(3,602.22)	
Increase/(Decrease) in Trade Payables	<b>(488.61)</b>		601.50	
		<b>63.66</b>		(3,000.72)
<b>Cash generated from operations</b>		<b>8,391.90</b>		7,711.73
Taxes paid / refund (Net)		<b>(582.03)</b>		(2,460.78)
<b>Net Cash from Operating Activities</b>		<b>7,809.87</b>		5,250.95
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Investment in Shares/Units of Mutual Funds	<b>(5.35)</b>		(100.00)	
Sale of Investments	-		7,369.82	
Fixed Assets/Capital Work in Progress	<b>(319.23)</b>		(24,487.66)	
Sale/Deduction of Fixed Assets	<b>9,502.04</b>		0.77	
Interest Income	<b>57.47</b>		74.80	
Dividend Income	<b>707.26</b>		110.90	
<b>Net Cash used in Investing Activities</b>		<b>9,942.19</b>		(17,031.37)

	(Rs. in Lacs)			
	2009-10		2008-09	
	Rs.	Rs.	Rs.	Rs.
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds of secured loans	<b>17,885.56</b>		27,564.46	
Repayment of secured loans	<b>(26,235.34)</b>		(13,925.07)	
Proceeds of unsecured loans	<b>2,200.04</b>		5,788.40	
Repayment of unsecured loans	<b>(6,713.81)</b>		(3,145.59)	
Dividends paid	<b>(510.24)</b>		(1,276.21)	
Interest paid	<b>(4,108.36)</b>		(3,592.09)	
<b>Net Cash Flow From Financing Activities</b>		<b>(17,482.15)</b>		11,413.90
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>269.91</b>		(366.52)
Opening Balance of Cash and Cash Equivalents		<b>1,366.27</b>		1,732.79
<b>Closing Balance of Cash and Cash Equivalents</b>		<b>1,636.18</b>		1,366.27

(Note : Components of cash and cash equivalents are given under Cash and Bank Balances in Schedule "F" annexed to Balance Sheet as at 31st March, 2010)

As per our attached report of even date

For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118

Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AS AT 31ST MARCH, 2010**

	<b>As at 31st March, 2010</b>		<b>As at 31st March, 2009</b>	
	<b>Rs.</b>		<b>Rs.</b>	
<b>SCHEDULE "A"</b>				
<b>SHARE CAPITAL</b>				
<b>Authorised :</b>				
30,000,000 Equity Shares (Previous year:30,000,000) of Rs. 10/- each	<b>300,000,000</b>		300,000,000	
	<b>300,000,000</b>		300,000,000	
<b>Issued, Subscribed and Paid-up :</b>				
12,820,200 Equity Shares (Previous year:12,820,200) of Rs.10/- each fully paid. Out of above shares, 7,253,400 shares are allotted as fully paid by way of bonus shares and 400 shares, re-allotted after forfeiture	<b>128,202,000</b>		128,202,000	
	<b>128,202,000</b>		128,202,000	

	<b>As at 31st March, 2010</b>		<b>As at 31st March, 2009</b>	
	<b>Rs.</b>		<b>Rs.</b>	
<b>SCHEDULE "B"</b>				
<b>RESERVES AND SURPLUS</b>				
<b>a) Capital Reserve</b> As per last Balance Sheet	<b>10,000,000</b>		10,000,000	
<b>b) Capital Redemption Reserve</b> As per last Balance Sheet	<b>99,500,000</b>		99,500,000	
<b>c) Investment Allowance Reserve (Utilised)</b> As per last Balance Sheet	<b>9,000,000</b>		9,000,000	
<b>d) General Reserve</b> As per last Balance Sheet	<b>1,077,455,664</b>		1,047,185,934	
Add : Amount transferred from Profit and Loss Account	<b>11,000,000</b>		7,500,000	
Add : Net exchange translation loss for the financial year 2007-08 capitalised by credit to General Reserve pursuant to Companies (Accounting Standards) Amendment Rules 2009 (See Note 3 in Schedule 'L')	<b>— 1,088,455,664</b>		22,769,730	
<b>e) Securities Premium Account</b> As per last Balance Sheet	<b>688,444,000</b>		688,444,000	
<b>f) Balance in Profit and Loss Account</b>	<b>489,272,167</b>		455,752,683	
	<b>2,384,671,831</b>		2,340,152,347	

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AS AT 31ST MARCH, 2010**

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE "C"</b>				
<b>LOAN FUNDS</b>				
<b>I. SECURED LOANS</b>				
<b>TERM LOANS</b>				
<b>FROM BANKS</b>				
Foreign Currency Loans	<b>449,081,845</b>		1,458,215,163	
Rupee Loans	<b>2,175,357,411</b>	<b>2,624,439,256</b>	2,126,471,378	3,584,686,541
From Finance Companies (Rupee Loans)		<b>880,990,534</b>		755,722,461
		<b>3,505,429,790</b>		4,340,409,002
<b>Note :-</b>				
Term Loans are secured by hypothecation of plant and machinery financed there - against and part of the receivables under specific charter hire agreements.				
<b>II. UNSECURED LOANS</b>				
Inter Corporate Deposit (Due to ABG Ports Pvt. Ltd., a Subsidiary Company)		<b>111,218,928</b>		562,595,725
		<b>111,218,928</b>		562,595,725
<b>TOTAL LOAN FUNDS (I + II)</b>		<b>3,616,648,718</b>		4,903,004,727

## SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

### SCHEDULE "D" FIXED ASSETS

(In Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2009	Additions during the year	Deductions during the year	Total as at 31.03.2010	As at 01.04.2009	Depreciation during the year	Deduction during the year	Up to 31.03.2010	As at 31.03.2010	As at 31.03.2009
Freehold Land	118,487,881	3,627,891	-	<b>122,115,772</b>	-	-	-	-	<b>122,115,772</b>	118,487,881
Building	4,627,320	-	-	<b>4,627,320</b>	2,593,372	150,876	-	<b>2,744,248</b>	<b>1,883,072</b>	2,033,948
Plant & Machinery	7,012,910,934	380,700,999	1,003,441,499	<b>6,390,170,434</b>	1,754,087,663	462,227,531	165,948,268	<b>2,050,366,926</b>	<b>4,339,803,508</b>	5,258,823,271
Office Equipment	12,992,723	1,229,721	-	<b>14,222,444</b>	7,154,639	1,093,510	-	<b>8,248,149</b>	<b>5,974,295</b>	5,838,084
Motor Car	15,305,719	-	861,676	<b>14,444,043</b>	7,700,692	1,199,654	315,999	<b>8,584,347</b>	<b>5,859,696</b>	7,605,027
Furniture & Fixture	14,586,829	1,732,513	-	<b>16,319,342</b>	5,650,589	1,027,923	-	<b>6,678,512</b>	<b>9,640,830</b>	8,936,240
<b>Total</b>	<b>7,178,911,406</b>	<b>387,291,124</b>	<b>1,004,303,175</b>	<b>6,561,899,355</b>	<b>1,777,186,955</b>	<b>465,699,494</b>	<b>166,264,267</b>	<b>2,076,622,182</b>	<b>4,485,277,173</b>	<b>5,401,724,451</b>
Previous year	4,613,576,305	2,565,638,140	303,039	7,178,911,406	1,158,703,955	618,695,327	212,327	1,777,186,955	5,401,724,451	

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AS AT 31ST MARCH, 2010**

	As at 31st March, 2010			As at 31st March, 2009	
	Face Value	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>SCHEDULE "E"</b>					
<b>INVESTMENTS</b>					
<b>Long Term Investments</b>					
<b>(Other than Trade) : Unquoted</b>					
<b>Equity Shares :</b>					
Lexicon Finance Ltd.	Rs. 10/-	100,000	1,000,000	100,000	1,000,000
South West Port Limited	Rs. 10/-	12,012,000	120,120,000	12,012,000	120,120,000
ABG Projects & Services Limited - U.K.*	£ 1/-	223,002	18,357,454	217,002	17,911,654
ABG Kolkata Container Terminal Private Limited *	Rs. 10/-	4,495,380	44,953,800	4,495,380	44,953,800
ABG Kandla Container Terminal Limited *	Rs. 10/-	3,999,400	39,994,000	3,999,400	39,994,000
ABG Ports Private Limited *	Rs. 10/-	1,000,000	10,000,000	1,000,000	10,000,000
ABG Haldia Bulk Terminals Private Limited *	Rs. 10/-	8,900	89,000	—	—
<b>Preference Shares :</b>					
ABG Kolkata Container Terminal Private Limited * 9% Redeemable Cumulative Preference Shares	Rs. 100/-	600,000	60,000,000	600,000	60,000,000
* Subsidiary companies					
			<u>294,514,254</u>		<u>293,979,454</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AS AT 31ST MARCH, 2010**

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE "F"</b>				
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
<b>(A) CURRENT ASSETS</b>				
<b>i) Sundry Debtors</b> (Unsecured & Considered good)				
For a period exceeding six months	<b>269,905,325</b>		179,214,209	
Others	<b>230,829,257</b>		215,609,081	
		<b>500,734,582</b>		394,823,290
<b>ii) Cash and Bank Balances</b>				
Cash and Cheques on hand	<b>61,002,158</b>		72,558,843	
<b>Balance with Scheduled Banks :</b>				
In Current Accounts	<b>90,494,304</b>		21,161,331	
In Fixed Deposits	<b>12,121,428</b>		42,906,905	
		<b>163,617,890</b>		136,627,079
		<b>664,352,472</b>		531,450,369
<b>(B) LOANS AND ADVANCES</b> (Unsecured and considered good)				
Advances (Recoverable in cash or in kind or for value to be received)	<b>493,160,157</b>		665,382,567	
Security Deposits	<b>366,915,962</b>		355,832,079	
Advance payment of Tax (Net of Provisions)	<b>140,137,278</b>		106,247,011	
		<b>1,000,213,397</b>		1,127,461,657
		<b>1,664,565,869</b>		1,658,912,026



**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AS AT 31ST MARCH, 2010**

	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
<b>SCHEDULE "G"</b>				
<b>CURRENT LIABILITIES AND PROVISIONS</b>				
<b>CURRENT LIABILITIES</b>				
Advance from Customers	130,985,943		128,298,674	
Creditors for Capital Goods	32,924,346		74,375,799	
Sundry Creditors (Others)	84,271,598		87,392,978	
Other Liabilities	34,774,668		41,412,994	
Unpaid Dividend	1,670,980		1,414,129	
Book Overdraft	—		337,590	
Interest accrued but not due	4,971,663		18,941,252	
		<b>289,599,198</b>		<b>352,173,416</b>
<b>PROVISIONS</b>				
Provision for Leave encashment	1,632,408		2,016,619	
Provision for Gratuity	295,589		444,612	
Interim Dividend (Declared after year end)	51,280,800		51,280,800	
Dividend Distribution Tax	8,517,100		8,715,172	
		<b>61,725,897</b>		<b>62,457,203</b>
		<b>351,325,095</b>		<b>414,630,619</b>

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

	<b>2009-10</b>	2008-09
	Rs.	Rs.
<b>SCHEDULE "H"</b>		
<b>OPERATIONAL RECEIPTS</b>		
Charter Hire of Plant and Machinery	<b>1,329,513,691</b>	1,395,506,660
Service charges including Crane Mobilisation charges	<b>40,527,334</b>	95,098,269
	<u><b>1,370,041,025</b></u>	<u>1,490,604,929</u>
<b>SCHEDULE "I"</b>		
<b>OTHER INCOME</b>		
Interest (Gross : Tax deducted at source Rs. 493,605/-) (Previous year : Rs. 1,852,212/-)	<b>5,747,454</b>	7,480,352
Miscellaneous Income	<b>300,970</b>	2,530,906
Profit on sale of Cranes / Business	<b>112,165,257</b>	-
Prior period adjustment	-	1,036,419
Dividend received	<b>70,725,855</b>	11,090,331
	<u><b>188,939,536</b></u>	<u>22,138,008</u>
<b>SCHEDULE "J"</b>		
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salary and Bonus	<b>72,455,751</b>	81,603,611
Contribution to Provident Fund	<b>5,341,086</b>	5,990,114
Staff Welfare Expenses	<b>3,436,988</b>	3,581,426
	<u><b>81,233,825</b></u>	<u>91,175,151</u>

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

	<b>2009-10</b>	<b>2008-09</b>
	Rs.	Rs.
<b>SCHEDULE "K"</b>		
<b>OPERATIONAL AND OTHER EXPENSES</b>		
Sub-contractors Charges	<b>219,826,543</b>	3,465,962
Power and Fuel	<b>30,030,678</b>	51,951,433
Insurance	<b>13,611,074</b>	17,405,752
Stores and spares consumed	<b>16,975,260</b>	11,876,652
Repairs and Maintenance to Machinery	<b>21,830,064</b>	20,631,220
Repairs and Maintenance to Building	<b>36,025</b>	10,881
Travelling, Conveyance and Car Expenses	<b>21,498,534</b>	26,939,009
Advertisement and Business Promotion Expenses	<b>3,994,376</b>	4,511,562
Rent	<b>11,706,997</b>	13,122,595
Lease / Hire charges for Equipment	<b>2,077,860</b>	676,968
Rates and Taxes	<b>13,845,324</b>	16,077,489
Postage and Telephone	<b>2,403,391</b>	2,601,065
Bank charges	<b>37,728,483</b>	29,838,918
Freight and Crane Mobilisation charges	<b>35,801,900</b>	38,906,845
Printing and Stationery	<b>2,022,459</b>	1,644,176
Miscellaneous Expenses	<b>12,890,337</b>	12,757,037
Legal and Professional Charges	<b>24,179,938</b>	14,090,626
Directors Sitting Fees	<b>85,000</b>	22,500
Loss / (Gain) on Foreign Exchange	<b>(26,108,441)</b>	34,288,880
Loss on sale of Fixed Assets / Investments	-	528,327
Prior period adjustments	<b>679,339</b>	-
License Fees	<b>3,650,032</b>	11,448,665
	<b>448,765,173</b>	312,796,562

**SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET OF THE COMPANY AS AT 31ST MARCH, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010****SCHEDULE "L"****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES:****(a) BASIS OF ACCOUNTING**

The financial statements are prepared on accrual basis and, in accordance with the historical cost convention and in accordance with the applicable accounting standards and generally accepted accounting principles in India.

**(b) FIXED ASSETS**

Fixed assets are stated at cost less depreciation. Cost of acquisition or construction includes incidental expenses, interest up to the date of commissioning and adjustments due to foreign exchange fluctuations including forward cover charges up to the date of acquisition of assets as well as the exchange translation loss (gain) on long term monetary items in relation to acquisition of fixed assets.

**(c) INVESTMENTS**

Long Term Investments have been accounted at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

**(d) DEPRECIATION**

Depreciation has been provided on straight-line method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

**(e) INVENTORIES**

Stores and spares are written off in the year of purchase.

**(f) EMPLOYEE BENEFIT PLAN**

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

**(g) FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using closing rate of exchange at the end of the year.

The resulting exchange gains/losses are adjusted to :

- a) Cost of fixed assets/Capital WIP, if exchange differences are on long term monetary items in relation to acquisition of fixed assets.
- b) Profit and Loss account, in other cases.

**(h) BORROWING COSTS**

Borrowing costs directly attributable to the acquisition and construction of assets are capitalized as part of the cost of respective asset up to the date when such asset is ready for intended use. Other borrowing costs are charged to Profit and Loss Account.

**(i) PROVISION FOR CURRENT AND DEFERRED TAX**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

**(j) IMPAIRMENT OF ASSETS**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

**2. CONTINGENT LIABILITIES (Not provided for)**

- (i) Outstanding Bank guarantees as on 31.03.2010 : Rs. 37.09 Crore (Previous year: Rs. 27.07 Crores) including guarantee of Rs. 4 Crore given on behalf of ABG Haldia Bulk Terminals Private Limited, a subsidiary Company.
  - (ii) Corporate Guarantees of Rs 132 Crores given against Bank Credit/guarantee facilities of Rs 103.18 Crores availed by ABG LDA Bulk Terminals Pvt. Ltd., a subsidiary Company, as on 31.3.2010.
  - (iii) No provision has been made in respect of income tax demands amounting to Rs. 2.78 Crore (Previous year: Rs. 2.78 Crores) which are pending in appeals.
  - (iv) No provision has been made for Income tax demands of Rs. 4.51 Crores (previous year :Rs. 4.51 Crores), which have been dismissed by Commissioner of Income Tax (Appeals) and department has preferred appeals before Income Tax Appellate Tribunal.
  - (v) No provision has been made for sales tax demands of Rs. 6.96 Crores (Previous Year :Rs. 6.96 Crores) which have been disputed by the Company.
3. During previous year, the Company opted for accounting the exchange differences in accordance with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 which allow foreign exchange differences on long - term monetary items to be capitalized to the extent they relate to acquisition of capital assets, retrospectively from April 1, 2007. Accordingly net exchange translation losses of Rs 956.48 Lacs were added to the cost of Capital assets. This amount included Rs 227.69 Lacs pertaining to the year ended 31st March, 2008 which was credited to General Reserve during the previous year.
4. As per Accounting Standard 15 "Employee Benefits", the disclosure of Employee benefits as defined in the Accounting Standard are given below :

**i) Defined Contribution plans viz Provident Fund**

Eligible employees receive benefits from a Provident Fund which is a defined contribution plan. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

**ii) Post Employment defined benefit plan**

Company has made provision for accrued liability for gratuity as per Actuarial valuation as follows:-

**(In Rupees)**

<b>Particulars</b>	<b>From 01.04.2009 To 31.03.2010</b>	From 01.04.2008 To 31.03.2009
<b>Change in Projected Benefit Obligation</b>		
Opening projected benefit obligation	<b>3,474,495</b>	3,409,743
Current Service Cost	<b>609,626</b>	861,004
Interest Cost	<b>277,960</b>	272,779
Actuarial (Gain) / Loss	<b>(676,957)</b>	(463,603)
Benefit paid	<b>672,718</b>	605,428
Closing projected benefit obligation	<b>3,012,406</b>	3,474,495
<b>Change in Plan Assets</b>		
Opening fair value of plan	<b>3,029,883</b>	2,416,011
Actual return on Plan Assets	<b>238,270</b>	175,050
Actuarial Gain	<b>NIL</b>	NIL
Contribution by Employer	<b>111,907</b>	1,044,250
Benefits paid	<b>672,718</b>	605,428
Closing fair value of Plan Assets	<b>2,716,817</b>	3,029,883
Net Liability	<b>295,589</b>	444,612

**Expense for the year:**

**(In Rupees)**

<b>Particulars</b>	<b>From 01.04.2009 To 31.03.2010</b>	From 01.04.2008 To 31.03.2009
Current Service Cost	<b>609,626</b>	861,004
Interest on Projected benefit obligation	<b>277,960</b>	272,779
Actual return on plan Assets	<b>238,270</b>	175,050
Net Actuarial (Gain) / Loss	<b>(676,957)</b>	(463,603)
Total included in Employment Expenses	<b>(27,641)</b>	495,130

**Financial assumption at the valuation date:**

Discount Rate	<b>8%</b>	8%
Rate of increase in compensation levels	<b>6%</b>	6%

5. As the Company does not have distinguishable business segments, the requirement to give segment reporting as per Accounting Standard (AS 17) on Segment Reporting issued by the Institute of Chartered Accountants of India is not applicable.

## 6. Deferred Tax Assets and Liabilities are attributable to the following items :-

Particulars	Deferred Tax Asset/(Liabilities) As on 31.03.2010 Rs.	Deferred Tax Asset/(Liabilities) As on 31.03.2009 Rs.
<b>a) Deferred Tax Liability:</b>		
Difference between Tax and Book WDV	<b>166,292,582</b>	112,709,687
<b>b) Deferred Tax Assets:</b>		
Expenses allowable for Tax purpose when paid	<b>655,326</b>	836,572
Tax Credits available for setoff in future	<b>24,849,179</b>	10,600,000
<b>Net Deferred Tax Liability</b>	<b>140,788,077</b>	101,273,115

## 7. As determined by the Management and relied upon by Auditors, there are no Micro, Small and Medium Enterprises as defined in the "MICRO, SMALL, MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006", to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

## 8. Remuneration paid to / provided for Managing Director

Particulars	2009-2010 Rs.	2008-2009 Rs.
Salary and Allowances	<b>6,000,000</b>	6,000,000
Contribution to Provident Fund	<b>720,000</b>	720,000
House Rent / Electricity	<b>477,417</b>	480,290

Since Board of Directors of the Company has decided not to pay commission to Managing Director, necessary computations of profits under Section 349 of the Companies Act, 1956 have not been given. An amount of Rs.2,630,638/- (Previous Year Rs. 845,155/-), which represent remuneration in excess of limit prescribed u/s 309 and Schedule XIII of the Companies Act, 1956, has been shown as recoverable from the Managing Director. Company has received approval from Central Government for waiver to recover aforesaid amount for previous year and is in the process of seeking similar approval for current year.

## 9. Auditors Remuneration paid/provided:

Particulars	2009-2010 Rs.	2008-2009 Rs.
Audit Fees	<b>2,206,000</b>	1,985,400
Tax Audit Fees	<b>551,500</b>	441,200
Tax Representation	<b>1,375,000</b>	975,000
Certifications / Reports	<b>606,856</b>	410,114
Management Services	<b>27,575</b>	-

## 10. a) Loans and Advances include Rs. 39,381,194/- due from Subsidiary Companies (Previous year : Rs. 72,508,787/-).

b) Loans and advances (Security Deposits) include Rs. 23,031,600/- due from ABG Power Pvt. Ltd., a Company under the same management. (Previous year: Rs. 38,000,000/-). Maximum amount outstanding at any time during the year Rs. 38,000,000/- (Previous year: Rs. 38,000,000/-).

- c) Loans and advances (Security Deposits) include Rs. 75,000,000/- due from ABG Cranes Pvt. Ltd., a Company under the same management. (Previous year: Rs. 75,000,000) Maximum amount outstanding at any time during the year Rs. 75,000,000/- (Previous year: Rs. 75,000,000).
- d) Loans and advances include Rs. 2,630,638/- (Previous year Rs. 845,155/-) due from Managing Director of the company maximum amount outstanding in any time during the year Rs. 2,630,638/- (Previous year Rs. 845,155/-).
11. Balance of debtors and creditors are subject to confirmation. However, in the opinion of the Board, Current Assets, Loans and Advances have value on realisation in the ordinary course of business, at least equal to the amount at which they are stated.
12. i) Interest on Fixed Loans / Credits: Rs. 393,491,582/- (Previous Year: Rs. 359,583,630/-).  
ii) Interest capitalised on Fixed Assets Rs. 10,769,137/- (Previous year: Rs. 39,398,713/-).
13. CIF Value of Imports made during the year (equivalent to Indian Rupees)

Particulars	2009-2010 Rs.	2008-2009 Rs.
1) Capital Goods	<b>28,673,128</b>	1,985,277,046
2) Stores and Spare Parts	<b>6,557,097</b>	1,867,264

14. Expenditure in Foreign Currency during the year

Particulars	2009-2010 Rs.	2008-2009 Rs.
Travelling / Subscription / Advertisement	<b>1,560,371</b>	2,491,515
Professional Fees	<b>2,605,784</b>	Nil
Interest / Bank Charges	<b>34,094,375</b>	52,298,740

15. Break up of Consumption of Stores and Spares and Components.

Particulars	2009-2010		2008-2009	
	Rs.	%	Rs.	%
- Imported	<b>7,743,463</b>	<b>45.62</b>	3,171,849	26.71
- Indigenous	<b>9,231,797</b>	<b>54.38</b>	8,704,803	73.29
<b>Total</b>	<b>16,975,260</b>	<b>100.00</b>	11,876,652	100.00

16. Earning per Share (EPS) is calculated as under :

Particulars	2009-2010 Rs.	2008-2009 Rs.
a) Numerator - Net Profit as disclosed in Profit and Loss Account	<b>104,317,384</b>	71,511,352
b) Denominator - Number of Equity Shares outstanding (Opening and Closing number is same)	<b>12,820,200</b>	12,820,200
c) Denominator - Nominal value of Shares	<b>Rs. 10/-</b>	Rs. 10/-
d) Earning per Share	<b>Rs. 8.14</b>	Rs. 5.58



17. Company has been mainly carrying on the business of charter hire and operation of heavy-duty cranes. The information required to be furnished under paras 3, 4C, 4D of Part II of Schedule VI of the Companies Act, 1956 has been given only to the extent applicable to the business of the Company.

18. Disclosure in respect of Related Parties pursuant to Accounting Standard 18:

a) List of Related Parties

(i) Parties where control exists - Subsidiary Companies

ABG Projects & Service Limited- UK

ABG Kolkata Container Terminal Private Limited

ABG Kandla Container Terminal Limited

ABG Ports Private Limited

ABG LDA Bulk Handling Private Limited

ABG Haldia Bulk Terminals Pvt. Limited

ABG Container Handling Pvt. Ltd.

ABG Coastal Pvt. Ltd.

ABG LDA- Marine Pvt. Limited

(ii) Other Parties (Companies over which Directors / relatives are able to exercise significant influence) with whom the company has entered into transaction during the year

ABG Shipyard Limited

PFS Shipping (India) Limited

B. F. Engineering Limited

Agbros Leasing and Finance Pvt. Limited

Oblique Trading Private Limited

South West Port Limited

ABG Power Private Limited

ABG Cranes Private Limited

ABG Cement Limited

Tagus Engineering Private Limited

Aspen Material Handling Private Limited

(iii) Key Management Person

Mr. Saket Agarwal, Managing Director

## b) Disclosure of related party transactions:

**(Rs. in Lacs)**

Particulars	Subsidiary	Companies over which Directors/relatives able to exercise significant Influence	Key Management Person
1. Rent	- (-)	<b>33</b> (31)	- (-)
2. Salary and Perquisites	- (-)	- (-)	<b>72</b> (72)
3. Interest paid (Net)	<b>149</b> (205)	- (-)	- (-)
4. Sale of Fixed Assets/Business	<b>7,800</b> (-)	<b>1,801</b> (-)	- (-)
5. Sub Contractor Charges	<b>2,186</b> (-)	- (-)	- (-)
6. Investment in Share / Advances	<b>4</b> (11,339)	- (-)	- (-)
7. Refund of Advances given/ Redemption of Share	<b>331</b> (13,897)	<b>150</b> (-)	- (-)
8. Purchase of Stores and Spares	- (-)	<b>22</b> (-)	- (-)
9. Advances taken	<b>2,200</b> (5,645)	- (-)	- (-)
10. Security Deposits given	- (-)	<b>135</b> (1,750)	- (-)
11. Outstanding balances as on 31.03.2010			
a. Trade Payable	<b>228</b> (2)	<b>15</b> (1)	- (-)
b. Trade Receivable	- (-)	<b>661</b> (241)	<b>26</b> (8.45)
c. Loans Payable	<b>1,112</b> (5,626)	- (-)	- (-)
d. Security Deposits against premises	- (-)	<b>3,124</b> (3,081)	- (-)
e. Investment in Subsidiary / Associate	<b>1,733</b> (1,729)	<b>1,201</b> (1,201)	- (-)
f. Advance to Subsidiary / Associate	<b>436</b> (726)	<b>125</b> (125)	- (-)

**Note:**

- i) No amounts pertaining to related parties have been provided for as doubtful debts. Also, no amounts have been written off or written back during the year.
- ii) Figures in brackets are the corresponding figures in respect of previous year.

**19. Balance Sheet Abstract and Company's General Business Profile**

<b>I. Registration Details</b>			
Registration No.	:		31578
State Code	:		11
Balance Sheet Date	:		31st March, 2010
<b>II. Capital raised during the year (Amount in Rs. Thousands)</b>			
Public Issue	:		Nil
Right Issue	:		Nil
Bonus Issue	:		Nil
Private Placement	:		Nil
<b>III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)</b>			
Total Liabilities	:		6,270,310
Total Assets	:		6,270,310
<b>Sources of Funds</b>			
Paid-up Capital	:		128,202
Reserves and Surplus	:		2,384,671
Deferred Tax Liability	:		140,788
Secured Loans	:		3,505,430
Unsecured Loans	:		111,219
<b>Application of Funds</b>			
Net Fixed Assets	:		4,662,556
Investments	:		294,514
Net Current Assets	:		1,313,240
Miscellaneous expenditure	:		Nil
Accumulated Losses	:		Nil
<b>IV. Performance of Company (Amount in Rs. Thousands)</b>			
Turnover (including other income)	:		1,558,981
Total expenditure	:		1,399,551
Profit before Tax	:		159,430
Profit after Tax	:		104,317
Earning per Share (Equity)	:		Rs. 8.14
Dividend per Share (Interim)	:		Rs. 4
<b>V. Generic Names Principal Product</b>			
Not applicable since company is engaged in the charter hire and operation of heavy duty cranes.			

20. Previous year's figures have been regrouped, wherever necessary to conform to the current year's presentation.

**SIGNATURES TO SCHEDULE A TO L**

As per our attached report of even date

For **M. M. CHATURVEDI & CO.**  
Chartered Accountants

**M. M. CHATURVEDI**  
Partner  
Membership No.: 31118  
Mumbai,  
Date : 29th May, 2010

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

**STATEMENT PURSUANT TO SECTION 212(1)(e) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

Name of Subsidiary Company	ABG Kolkata Container Terminal Pvt. Ltd.	ABG Kandla Container Terminal Ltd.	ABG Projects & Services Ltd. UK	ABG Ports Pvt. Ltd.	ABG LDA Bulk Handling Pvt. Ltd.	ABG Haldia Bulk Terminals Pvt. Ltd.	ABG Coastal Private Limited	ABG Container Handling Pvt. Ltd.	ABG-LDA Marine Pvt. Ltd.
1 Financial year of Subsidiary Company ended on	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010
2 Date on which it became the Subsidiary of the Company	29.03.2004	12.06.2006	21.10.2003	25.07.2008	18.11.2008	22.05.2009	04.09.2009	06.11.2009	04.02.2010
3 Shares of the Subsidiary held by the Company and its Subsidiaries on the above date (a) Number and face value	44,95,380 Equity Shares of Rs 10/- each fully paid up and 6,00,000 Redeemable Cumulative Preference Shares of Rs.100/- each	39,99,400 equity shares of Rs. 10/- each fully paid up	2,23,002 Equity Shares of £ 1.00 each	10,87,451 Equity Share of Rs.10/- each fully paid up (out of which 87451 Equity Shares are held by ABG Kandla Container Terminal Ltd., a subsidiary company, in which Company holds 99.99% equity shares)	1,00,000 Equity Shares of Rs.10/- each fully paid up (held by ABG Ports Private Limited, a subsidiary company, in which Company along with its subsidiary holds 99.99% equity shares)	34,230 Equity Shares of Rs.10/- each fully paid up (Out of which 8900 equity shares held by the Company and remaining 25330 equity shares held through other subsidiary companies)	10,000 Equity Shares of Rs.10/- each fully paid up (held by ABG Ports Private Limited, a subsidiary company, in which Company along with its subsidiary holds 99.99% equity shares)	10,000 Equity Shares of Rs.10/- each fully paid up (held by ABG Ports Private Limited, a subsidiary company, in which Company holds 99.99% equity shares)	10,000 Equity Share of Rs.10/- each fully paid up (held by ABG LDA Bulk Handling Pvt. Ltd., in which Company's subsidiary holds 51% equity shares)
(b) Extent of Holding	50.97%	99.99%	100%	99.99%	51.00%	63.74%	99.99%	99.99%	51.00%
4 The net aggregate of Profit/ (loss) of the subsidiary so far as they concern the members of the Company: (a) Dealt with in the account of the Company for the year ended 31.03.2010 (b) Not dealt with in the account of the Company for the year ended 31.03.2010	- Rs. 36,306,954/-	- (Rs. 220,099,901/-)	- (Rs. 352,140/-)	- Rs. 19,356,654/-	- Rs. 21,394,350/-	- (Rs. 14,115,944/-)	- (Rs. 16,288/-)	- (Rs. 13,189/-)	- (Rs. 19,903/-)
5 The net aggregate of Profit/ Loss of the Subsidiaries for previous Financial years, since it became Subsidiary so far as they concern members of the Company: (a) Dealt with in the account of the Company for the year ended 31.03.2009 (b) Not dealt within the account of the Company for the year ended 31.03.2009	- Rs 7,79,79,030/-	- (Rs 1,96,379,108/-)	- Rs (1,58,14,860)	- Rs 3,21,85,778/-	- Rs 12,543/-	- N.A.	- N.A.	- N.A.	- N.A.

**STATEMENT PURSUANT TO SECTION 212(1)(e) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES (Contd.)**

Name of Subsidiary Company	ABG Kolkata Container Terminal Pvt. Ltd.	ABG Kandla Container Terminal Ltd.	ABG Projects & Services Ltd. UK	ABG Ports Pvt. Ltd.	ABG LDA Bulk Handling Pvt. Ltd.	ABG Haldia Bulk Terminals Pvt. Ltd.	ABG Coastal Private Limited	ABG Container Handling Pvt. Ltd.	ABG-LDA Marine Pvt. Ltd.
6 Changes in the Holding Company's interest in the Subsidiary between the end of the financial year of the subsidiary and the end of the holding Company's financial year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
7 Material changes which have occurred between the end of the aforesaid financial year of the subsidiary and the end of the Holding Company's financial year in respect of:									
(a) the subsidiaries fixed assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(b) its investments	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(c) moneys lent by Subsidiary Company	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(d) the money borrowed by it for any purpose other than that of meeting current liabilities	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board

**Kamlesh Kumar Agarwal**  
Chairman

**Saket Agarwal**  
Managing Director

**Chirag Desai**  
Company Secretary

Mumbai, 29th May, 2010

**STATEMENT OF SUBSIDIARY COMPANIES**

The Company has received approval from the Government of India, Ministry of Corporate Affairs, New Delhi vide its Order No. 47/480-/2010-CL-III dated 2/06/2010 Granting exemption from attaching the audited accounts of the nine subsidiaries to the Balance Sheet of the Company for the financial year ended 31st March,2010. As required under the said order, the details regarding subsidiary companies of the Company are given below:

(Amount in Rupees)

Particulars	ABG Kolkata Container Terminal Pvt. Ltd.	ABG Kandla Container Terminal Ltd.	ABG Projects & Services Ltd. UK	ABG Ports Pvt. Ltd.	ABG LDA Bulk Handling Pvt. Ltd.	ABG Haldia Bulk Terminals Pvt. Ltd.	ABG Coastal Private Limited	ABG Container Handling Pvt. Ltd.	ABG-LDA Marine Pvt. Ltd.
1 Capital	148,191,000	140,000,000	18,357,454	10,874,510	1,960,780	10,342,300	100,000	100,000	100,000
2 Reserves	429,235,621	1,883,468,331	18,128,075	1,090,246,687	1,540,102,975	354,852,834	(16,290)	(13,190)	(39,025)
3 Total Assets	689,720,171	3,029,428,301	18,463,095	1,101,121,197	2,105,111,618	1,202,702,541	83,710	86,810	60,975
4 Total Liabilities	689,720,171	3,029,428,301	18,463,095	1,101,121,197	2,105,111,618	1,202,702,541	83,710	86,810	60,975
5 Details of Investments (except in case of investment in the subsidiaries)	37,650	1,079,407,693	-	-	-	-	-	-	-
6 Turnover	216,221,349	418,151,382	-	-	218,607,334	-	-	-	-
7 Other Income	14,623,235	5,116,913	-	31,287,659	16,763,620	3,460,777	-	-	-
8 Profit/(Loss) before Taxation	85,056,107	(220,163,479)	(352,140)	29,356,887	63,535,534	(22,147,166)	(16,290)	(13,190)	(39,025)
9 Provision for Taxation	13,828,611	(30,558)	-	10,000,000	21,585,419	-	-	-	-
10 Profit/(Loss) after Taxation	71,227,496	(220,132,921)	(352,140)	19,356,887	41,950,115	(22,147,166)	(16,290)	(13,190)	(39,025)
11 Proposed Dividend, if any									



**ABG Infralogistics Limited**

Regd. Office: 5th Floor, Bhupati Chambers, 13 Mathew Road, Mumbai - 400 004.

**ATTENDANCE SLIP**

**Regd. Folio No.**

**\*\*Client ID.**

**\*\*D.P. ID.**

I Certify that I am a member / Proxy for the member of the Company.

I hereby record my presence at the 26th Annual General meeting of the Company to be held at Sangam Hall, Agarwal Bhavan, 100/C, next to Indian Oil Petrol Pump, Marine Drive, Mumbai 400 002, at 4.30 p.m. on Thursday, 30th September, 2010.

**Member's / Proxy's Name in Block Letters**  
(\*application in case of shares held in demat form)

**Signature**

**Note:** Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the entrance of the Hall.

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**ABG Infralogistics Limited**

Regd. Office: 5th Floor, Bhupati Chambers, 13 Mathew Road, Mumbai - 400 004.

**PROXY FORM**

**Regd. Folio No.**

**\*\*Client ID.**

**\*\*D.P. ID.**

I/We \_\_\_\_\_ in the district of \_\_\_\_\_

being a member / members of the above-named Company, hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ or failing him/ her

\_\_\_\_\_ of \_\_\_\_\_

in the district of \_\_\_\_\_ as my / our proxy to vote for me / us on my / our behalf at the 26th Annual General Meeting of the Company to be held at Sangam Hall, Agarwal Bhavan, 100/C, next to Indian oil Petrol Pump, Marine Drive, Mumbai 400 002, at 4.30 p.m. on Thursday, 30th September 2010 and at any adjournment thereof.

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



**Signature** \_\_\_\_\_

**Note:**

1. Proxy need not be a member.
2. Proxy form, complete in all respects, should reach the Company's Registered Office at 5th Floor, Bhupati Chambers, 13 Mathew Road, Mumbai - 400 004 not less than 48 hours before the scheduled time of the meeting.







Book-Post

**ABG** Infralogistics Limited

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