
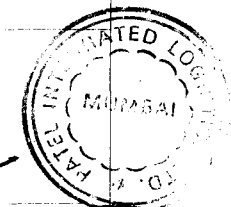

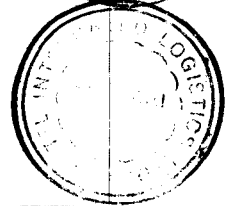
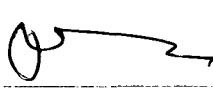





Dated : 28th May 2014

**FORM A**

**Format of covering letter of the annual audit report to be filed with the stock exchanges**

1.	Name of the Company:	Patel Integrated Logistics Limited.
2.	Annual financial statements for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified.
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	<ul style="list-style-type: none"> <li>Mr. Areef A. Patel Whole Time Director (designated as Executive Vice Chairman)</li> </ul>	 
	<ul style="list-style-type: none"> <li>Mr. Deepak M. Keni GM-Accounts (Head of Finance)</li> </ul>	 
	<ul style="list-style-type: none"> <li>M S P &amp; Co. Auditors of the company</li> </ul>	 
	<ul style="list-style-type: none"> <li>Mr. P.S.G. Nair Audit Committee Chairman</li> </ul>	 

#### BOARD OF DIRECTORS

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

#### COMPANY SECRETARY

Nitin B. Akolkar

#### AUDITORS

MSP & Co. Mumbai

#### LEGAL ADVISORS

Crawford Bayley & Co. Mumbai

#### BANKERS

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

#### REGISTERED OFFICE

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

#### CORPORATE OFFICE

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

#### SHARE TRANSFER AGENTS

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (East),  
Mumbai-400072.

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### 52nd Annual General Meeting

Thursday, the 21st day of August 2014, at 11.00 a.m. at Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049..

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



## NOTICE

NOTICE is hereby given that the 52<sup>nd</sup> Annual General Meeting of the members of PATEL INTEGRATED LOGISTICS LIMITED will be held at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049, on Thursday the 21<sup>st</sup> day of August 2014 at 11.00 a.m., to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2014 and the Statement of Profit and Loss Account for the year ended 31<sup>st</sup> March 2014 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Asgar S. Patel (DIN: 00164823), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution.

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, MSP & Co., Chartered Accountants Mumbai (Firm Registration No. 107565W) be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this 52<sup>nd</sup> Annual General Meeting (AGM) until the conclusion of the 55<sup>th</sup> AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) on such remuneration as shall be recommended by the Audit Committee and fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. P.S.G. Nair (DIN: 00074494), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years i.e. from August 21, 2014 up to August 21, 2019.”

6. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sandeep P. Parikh (DIN: 00022365), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years i.e. from August 21, 2014 up to August 21, 2019.”

7. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Farukh S. Wadia (DIN: 00097162), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years i.e. from August 21, 2014 up to August 21, 2019.”

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.
2. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid.
3. Members may please bring the Attendance Slip duly filled in and hand over the same at the entrance to the Meeting Hall.
4. Corporate Members / FIs / Financial Institutions intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of the Board resolution / such other documents authorizing their representatives to attend and vote at the Annual General Meeting well in advance.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 14<sup>th</sup> August 2014 to 21<sup>st</sup> August 2014 (both days inclusive).
6. Members seeking any information with regards to annual accounts are requested to write to the Company in advance so as to enable the management to keep the information ready.
7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is enclosed herewith.
8. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividends, upto 2005-06 to the Investor Education and Protection Fund (the Fund) established by the Central Government. No claim shall lay against the Company or the Fund in respect of amounts so transferred prior to March 31, 2014 nor shall any payment be made in respect of any such claims.

Unclaimed dividend for the financial year ended 31<sup>st</sup> March 2007 will be due for transfer to the Fund on 21<sup>st</sup> October 2014. Members should write to the Company or its Share Transfer Agent, if their dividend warrants for the year ended 31<sup>st</sup> March 2007, or any subsequent financial year(s), have not been encashed. In respect of dividend for the financial year ended 31<sup>st</sup> March 2007, it will not be possible to entertain any claim received after 21<sup>st</sup> October 2014.

9. Members are requested to send their Bank Account details to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072. This is to avoid the fraudulent encashment of dividend warrants.
10. The Company provides National Electronic Clearing Service (NECS) facility for the payment of dividend. Accordingly, shareholders holding equity shares in physical form are requested to send National Electronic Clearing Service (NECS) mandates, if any, to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072.

Shareholders holding equity shares of the Company in the dematerialized form shall intimate to their respective Depository Participants about the NECS mandates.

11. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Electronic copy of the Annual Report including Notice of the 52<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Admission Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same. For members who have not registered their e-mail address, physical copies of the Annual Report are being sent in the permitted mode.
12. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail IDs in writing to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072.



13. The Annual Report 2013-14 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.patel-india.com](http://www.patel-india.com) and also on the website of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

14. **Voting through electronic means:**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the listing agreement with Stock Exchanges, the Company is pleased to provide Members facility to exercise their right to vote at the 52<sup>nd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

2. The Company has appointed Dinesh Kumar Deora, Practising Company Secretary (FCS No. 5683 CP No. 4119), as the Scrutiniser to the e-voting process, (including voting through Ballot Form received from the Members) in a fair and transparent manner.

3 **The instructions for Members for voting electronically are as under:-**

(i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(ii) Click on "Shareholders" tab.

(iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional/Corporate shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
4. **The voting period begins on 14th August 2014 at 9.30 a.m. and ends on 16th August 2014 at 6.30 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 18th July 2014 the cut-off date (record date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
5. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
6. **Pursuant to clause 35B of the listing agreement, members who do not have access to e-voting facility, may fill in the Ballot Form which is a part of this Annual Report, and submit the same in a sealed envelope to the Scrutiniser, Dinesh Kumar Deora, Practising Company Secretary, Unit: Patel Integrated Logistics Limited, C/o. Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Sakivihar Road,**



**Saki Naka, Andheri (East), Mumbai-400072, so as to reach by 6.30 p.m. on 16th August 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.**

7. In the event, a member casts his votes through both the processes i.e. e-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
8. The Scrutiniser shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman or Executive Vice Chairman of the Company.
9. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.patel-india.com](http://www.patel-india.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) within two days of the passing of the resolutions at the 52nd AGM of the Company and communicated to the Stock Exchanges where the shares of the Company are listed.

**Registered Office:**

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

By order of the Board,

(Nitin B. Akolkar)  
Company Secretary

Mumbai, 4th July 2014  
CIN:71110MH1962PLC012396

## Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos.4 to 7 of the accompanying Notice.

### Item no. 4

This explanatory statement is provided though strictly not required as per section 102 of the Act.

MSP & Co. (Registration No. 107565W), Chartered Accountants, Mumbai were appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on September 25, 2013. Accordingly, the audit of the Company for financial year 2013-14 was conducted by MSP & Co.

MSP & Co. have been the Auditors of the Company since 2007-08 and have completed a term of 7 years. . As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, MSP & Co. being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on May 28, 2014, proposed the appointment of MSP & Co. as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the 55th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution at Item No. 4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

### Item Nos. 5 to 7:

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. P.S.G. Nair, Mr. Sandeep Parikh, and Mr. Farukh Wadia, as Independent Directors at various times, in compliance with the requirements of the clause. Pursuant to the provisions of section 149 of the Companies Act 2013 which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Mr. P.S.G. Nair, Mr. Sandeep Parikh, and Mr. Farukh Wadia, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Companies Act 2013, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The details of Independent Directors whose appointment is proposed at Item Nos. 5 to 7 of the accompanying Notice, have been given in the annexure attached.

Mr. P.S.G. Nair, Mr. Sandeep Parikh, and Mr. Farukh Wadia are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

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

By order of the Board,

(Nitin B. Akolkar)  
Company Secretary

Mumbai, 4th July 2014  
CIN:71110MH1962PLC012396





**INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING:**

Particulars	Mr. Asgar Patel	Mr. P.S.G. Nair	Mr.Sandeep Parikh	Mr. Farukh Wadia
Age	75 years	70 years	54 years	49 years
Qualifications	B.A.	B.Sc. (Hons.),F. C. A.	B. Com. , F. C. A.,Grad. C.W. A.	B. Com.
Expertise	One of the pioneers of the organised transportation of goods in India with vast experience in the fields of Logistics, finance, forex, and Construction	Has four decades of rich experience in the fields of Accounts, Audit, Finance, Forex Management, Direct Taxation and Corporate Laws.	Has more than two decades of rich and varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance.	A businessman having experience in the fields of automobile dealership,finance and couriers.
Particulars Of Appointment / Re-Appointment	Non Executive Chairman of the Company since its inception, retires by rotation at the ensuing Annual General Meeting. It is proposed to re-appoint Mr. Asgar Patel as the Director of the Company	Director of the Company since 29 <sup>th</sup> January 2002. It is proposed to appoint Mr. P.S.G. Nair as an Independent Director of the Company.	Director of the Company since 1 <sup>st</sup> October 2006. It is proposed to appoint Mr. Sandeep Parikh as an Independent Director of the Company.	Director of the Company since 6 <sup>th</sup> May 1998. It is proposed to appoint Mr. Farukh Wadia as an Independent Director of the Company.
Other Directorships as on 31 <sup>st</sup> March 2014	<ul style="list-style-type: none"> <li>Patel Holdings Limited</li> </ul>	Nil	<ul style="list-style-type: none"> <li>Wall Street Securities &amp; Investments (India) Ltd.</li> <li>Wall Street Derivatives &amp; Financial Services (India) Pvt. Ltd</li> <li>One Capitall Limited</li> <li>Xoriant Solutions Pvt. Ltd</li> <li>Lyka Labs Ltd</li> <li>Soleil Financial Services Pvt. Ltd</li> <li>Arun Govil Productions Pvt. Ltd</li> <li>Cemtrex India Pvt. Ltd</li> <li>Development Equities Pvt. Ltd</li> <li>Cine Vision Distributors Pvt. Ltd</li> <li>Lyka BDR International Ltd</li> <li>Ducon Power Systems (I) Pvt. Ltd.</li> </ul>	Nil
*Chairmanship(s) / Membership(s) of Committees as on 31 <sup>st</sup> March 2014	Nil	<b>Audit Committee</b> <ul style="list-style-type: none"> <li>Patel Integrated Logistics Limited (Chairman)</li> </ul> <b>Remuneration Committee</b> <ul style="list-style-type: none"> <li>Patel Integrated Logistics Limited (Chairman)</li> </ul> <b>Shareholders Grievance Committee</b> <ul style="list-style-type: none"> <li>Patel Integrated Logistics Limited (Chairman)</li> </ul>	<b>Audit Committee</b> <ul style="list-style-type: none"> <li>Lyka Labs Ltd (Chairman)</li> <li>One Capitall Ltd (Member)</li> <li>Patel Integrated Logistics Limited (Member)</li> </ul> <b>Remuneration Committee</b> <ul style="list-style-type: none"> <li>Lyka Labs Ltd (Member)</li> <li>Patel Integrated Logistics Limited (Member)</li> </ul>	<b>Audit Committee</b> <ul style="list-style-type: none"> <li>Patel Integrated Logistics Limited (Member)</li> </ul> <b>Remuneration Committee</b> <ul style="list-style-type: none"> <li>Patel Integrated Logistics Limited (Member)</li> </ul> <b>Shareholders Grievance Committee</b> <ul style="list-style-type: none"> <li>Patel Integrated Logistics Limited (Member)</li> </ul>

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

## DIRECTORS' REPORT

To,

The Members of  
Patel Integrated Logistics Limited.

The Directors have pleasure in presenting their 52<sup>nd</sup> Annual Report and the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2014.

## FINANCIAL RESULTS :

The financial results are as under:

(Rs. in lakhs)

	Year ended 31 <sup>st</sup> March, 2014	Year ended 31 <sup>st</sup> March, 2013
Profit before Interest, Depreciation & Tax	1673.02	1797.21
Less : Interest	915.17	918.94
Profit before Depreciation	757.85	878.27
Less : Depreciation	448.97	493.09
Profit before tax	308.88	385.18
Less : Provision for tax	97.00	153.00
Less : Deferred Tax	(23.02)	(9.10)
Profit after tax	234.90	241.28
Add : Balance of Profit from previous year	627.60	975.16
<b>TOTAL ...</b>	<b>862.50</b>	<b>1216.44</b>
<b>APPROPRIATIONS:</b>		
Equity Dividend	75.93	75.93
Tax on Dividend	12.91	12.91
Transfer to General Reserve	200.00	200.00
Transfer to Contingency Reserve	95.00	300.00
Balance carried to Balance Sheet	478.66	627.60
<b>TOTAL ...</b>	<b>862.50</b>	<b>1216.44</b>

## PERFORMANCE REVIEW:

The financial year 2013-14 has been challenging. Economic growth declined across all the sectors due to a variety of domestic and external factors. Emerging market like India faced challenges like capital outflow, intense exchange rate pressures and volatile current account movement. A combination of high inflation, fiscal imbalances, external sector vulnerabilities and low investments resulted in dip domestic demand growth. This sluggish situation has impact on the business volume of your Company during the year under consideration. Despite of such challenging environment, the Company, although not able to perform to its full potentials, has done reasonably well to sustain itself in such difficult economic scenario.

The performance of your Company in terms of the revenue earned during the financial year 2013-14 has been not upto its full potentials. Total income earned by the Company during the year under consideration was decreased and stood at Rs.54666.60 Lacs as compared with Rs.58034.53 lacs for the previous year. The Profit Before Tax was Rs.308.88 lacs and Profit After Tax was Rs.234.90 lacs. The reduction in Profit After Tax as compared to previous year was mainly on account of reduction in the revenue earned during the year.

The Net Worth of your Company stood at Rs.8991.23 lacs while the Fixed Assets base was Rs.4857.74 lacs. The Earning Per Share was Rs.1.55



In this tough operating environment the Company was continued on its path of taking strategic measures which will enable the Company to emerge stronger in the times ahead. A number of strategic initiatives are under progress like focusing on warehousing business, technology, and people development. These initiatives should lead to sustainable long term benefits. The Company is also concentrating on its Retail Express Business by focusing on increasing door delivery efficiencies and customer services. The prudent cost reduction measures like controlling operation cost, administrative expenses, finance cost have also been undertaken along with plans for faster recovery of dues. The full impact of the same would be seen in the current year.

Your Company is confident of improving its volumes, profitability and market leadership in the current year and will be able to gain its glory back once again.

**DIVIDEND :**

For the year under consideration, the Board of Directors have recommended a dividend of Re.0.50/- per share i.e. 5% on the equity share capital of the Company for the financial year ended March 31, 2014. The dividend payout for the year under review has been formulated after consideration of shareholders aspirations and Company's long term growth objectives to be met by internal accruals.

**FUTURE PLANS AND OUTLOOK:**

With the GDP Growth rate of Indian economy is slowing down in the year 2013-14, it is always challenging for the corporates to grow in terms of business and profitability. Our planning in the coming year is to sustain the present business and look for the opportunities to increase our profitability through various factors like improvement in operation cost; improvements in IT initiatives of Google Talk & upgrading of application PTMS which cater the new changes in the business environment; initiatives with the new Airlines, International outbound & inbound business which we are planning to cater in the coming year.

With the stable government is now in the centre for the next five years, the Indian economy is hopeful of its recovery in terms of GDP growth in the year ahead. With the expected industrial and economic growth all the Transport and Logistic players are looking to grow substantially in the current year. Your Company is also looking forward to growth in all areas of the Business and continue to give its best to its customers.

The Company is certainly focusing on 'Patel Retail' division of the Company which would ensure Last Leg Deliveries. With the improvement in Express Delivery Services all throughout the country, we are looking to expand our Express Business by nearly 20% on the current levels. With the increased focus on sales & delivery your Company ensures that the customers get the advantage of new routes and services. The Company is also planning to strategically increase Market Share in Full Truck Loads Business, where the ROI is in line with the Company's prescribed policies.

The demand for warehousing space is growing steadily and the Company is seriously planning to expand its warehousing and related activities business, which will bring more value for the shareholders in the years to come. We are actively looking to set up a Warehouse in Mumbai or other States in line with our Warehouse activities already operating in Chennai currently.

With the new formation of Telangana State, your Company has entered into a Regional Tie up with BMPS, which has nearly 200 Plus Branches in the State of Andhra Pradesh & Telangana to further widen it's delivery reach to both the states and to cater their growing demands. Your company is further looking to enter into such Strategic Tie Ups to increase both it's network & reach in the coming year and planning to add nearly 250 – 300 Delivery outlets through the Network Expansion Plan Model, in the year ahead.

The Company has already begun restructuring its Eastern Region Network and reduce its operational cost, which will start showing the results in the bottom line of the Company in the current year. After nearly 10 years of Eastern Operations, finally we are looking at much better in the year to come.

On the front of the Cargo Consolidation Business, Company continues to work with all its Airlines Vendor. The aviation industry is looking to expand its presence not only domestically but also opportunities from the In-Bound Express Delivery business Model which supports the Companies as well as Customers. With the incoming of new Airlines like Air Asia & Tata – SIA the Indian Aviation is about to witness dynamic changes. One has to have a close & careful watch on which way the scenario will unfold. POBC continues to work with it's Vendor Airlines to ensure maximum benefits to the Company.

## **SUBSIDIARY:**

The Company does not have any Subsidiary Company as on date of this report.

## **FINANCE:**

### **A) Bank Finance:**

The Company enjoys fund based and non fund based credit facilities from the Banks to meet its working capital requirements. The Company also enjoys a credit line for buying the trucks on deferred payment guarantee basis. The Company is regular in payments of installments and there are no over dues as on the date of reporting.

### **B) Fixed Deposits:**

The Company has been accepting unsecured deposits from its shareholders, employees, their relatives and from public at large as permissible under the provisions of Companies Act 1956 read with the corresponding Companies (Acceptance of Deposits) Rules, 1975, earlier in force. However with the commencement of Companies Act, 2013 w.e.f April 01, 2014, deposits are now governed by the new Companies Act 2013 and Companies (Acceptance of Deposits) Rules, 2014.

Your Company is 'eligible company' under the new provisions of the Act, to accept deposits from the public, subject to compliance with the requirements prescribed under the Companies Act 2013 and Companies (Acceptance of Deposits) Rules, 2014.

Accordingly, Fixed Deposits accepted by the Company stood at Rs.1197.92 lacs as on 31<sup>st</sup> March 2014. There were no unpaid or overdue deposits as on 31<sup>st</sup> March 2014, other than unclaimed Deposits and interest accrued thereon aggregating Rs.12.00 lacs. During the year under consideration, amount of Rs.2.58 lacs being unclaimed fixed deposits and interest accrued thereon, has been transferred to the Investor Education and Protection Fund. The Company is maintaining 'Deposit Repayment Reserve Account' as required under section 73(2) of the Companies Act 2013.

Your Company has decided to take the prior shareholders approval for Acceptance of Fixed Deposit required under the Companies Act 2013 through Postal Ballot.

### **C) Credit Rating:**

India Ratings & Research Private Ltd (India Ratings), a Fitch group Company has affirmed National long term credit rating 'IND BBB-' [outlook stable] for Company's fund based borrowings & finance lease and 'IND A3' [outlook stable] rating for its non fund based borrowings from the banks for 2014-15

India Ratings has also assigned credit rating 'IND tA-' (adequate safety) for its Fixed Deposit Programme for 2014-15.

## **DIRECTORS :**

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

As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

The Company had, pursuant to section 149(4) of the Companies Act, 2013 and the provisions of clause 49 of the Listing Agreements entered into with Stock Exchanges, appointed Mr. P.S.G. Nair, Mr. Sandeep P. Parikh and Mr. Farukh S. Wadia as Independent Directors of the Company.

## **AUDITORS:**

M/s M.S.P. & Company retire as the Auditors of the Company at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. In accordance with Section 139 (1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s M.S.P. & Company as statutory auditors of the



Company for a term of 3 consecutive years from the conclusion of forthcoming AGM till the conclusion of the 55<sup>th</sup> Annual General Meeting to be held in year 2017, subject to ratification of their appointment at every Annual General Meeting.

**AUDITORS' REPORT:**

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

**CORPORATE GOVERNANCE :**

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

**SECRETARIAL AUDIT REPORT:**

As a measure of good corporate governance practice, the Board of Directors of the Company appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary, to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2014 is provided in the Annual Report.

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

**PART A – CONSERVATION OF ENERGY:**

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

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

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

(Rs. in lakhs)

	Year ended 31 <sup>st</sup> March, 2014	Year ended 31 <sup>st</sup> March, 2013
<b>Earnings in Foreign Exchange</b>		
Air Freight Billing, and other expenses (Net)	13.18	6.30
<b>TOTAL ...</b>	<b>13.18</b>	<b>6.30</b>
<b>Expenditure in Foreign Currency</b>		
Membership and Subscription Fees	0.40	0.16
Travelling (excluding air fare)	4.17	6.46
<b>TOTAL ...</b>	<b>4.57</b>	<b>6.62</b>

**PERSONNEL & HUMAN RESOURCES :**

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

The information required under the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended to date, is not applicable to the Company as during the year under consideration, there were no employees who were in receipt of remuneration which exceeds the limits laid down under the said section.

### THE COMPANIES ACT, 2013:

The Companies Act, 2013 was notified in the Official Gazette of the Government of India on August 29, 2013. On September 12, 2013, the Ministry of Corporate Affairs (MCA) notified 98 sections and on March 27, 2014, the MCA notified another 198 sections, which were deemed to come into force with effect from April 1, 2014. The MCA vide Circular No. 08/2014 dated April 4, 2014 clarified that the financial statements and the documents required to be attached thereto, the auditors' and directors' report in respect of the financial year under reference shall continue to be governed by the relevant provisions of the Companies Act, 1956, schedules and rules made there under. The Company has accordingly prepared this balance sheet, statement of profit & loss, the schedules and notes thereto and the Directors' Report in accordance with the relevant provisions of the Companies Act, 1956, schedules and rules made there under. The Company has taken cognisance of the new legislation and complying with the provisions of the Companies Act, 2013, as applicable.

### DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31<sup>st</sup> March 2014 are in full conformity with the requirement of the Companies Act, 1956.

Pursuant to Section 217(2AA) of the Companies Act 1956, the Directors, based on the representation received from the Operating Management, confirm that:

- 1) in the preparation of the annual accounts, for the year ended March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgment 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 profits of the Company for that period;
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- 4) the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

### ACKNOWLEDGEMENTS:

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

#### Registered Office :

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

Mumbai, dated 4<sup>th</sup> July 2014

#### For and on behalf of the Board of Directors

**AREEF A. PATEL** - Executive Vice Chairman  
**P. S. G NAIR** - Director  
**SYED K. HUSAIN** - Director  
**SANDEEP P. PARIKH** - Director  
**FARUKH S. WADIA** - Director



## REPORT ON THE CORPORATE GOVERNANCE

[Pursuant to clause 49(VII) of the Listing Agreement]

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

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

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

### B) The Board of Directors

The Board of Directors has judicious mix of Executive and Non-Executive Directors as on 31<sup>st</sup> March, 2014, comprised of a Non-Executive Chairman, a Whole-time Director designated as Executive Vice-Chairman and Four Non-Executive Directors. Three Non-Executive Directors are Independent Directors.

During the financial year ended 31<sup>st</sup> March 2014, Five Board Meetings were held. Dates on which Board Meetings were held are 29-05-2013, 12-08-2013, 25-09-2013, 14-11-2013, and 10-02-2014.

Composition of the Board of Directors as at 31<sup>st</sup> March 2014, their attendance at Board Meetings during the year ended on that date and at the last Annual General Meeting as also number of other directorships and chairmanships / memberships of committees held by them, as on that date are as given below:

Sr. No.	Name of the Director	Category of Directorship	No. of Board Meetings Attended	Attendance at the Last A.G.M.	No. of other Directorships (Including Pvt. Ltd. Companies)	Committee Memberships	
						Chairman	Member
1.	Mr.Asgar S.Patel	NEC	4	No	1	-	-
2.	Mr.Areef A.Patel	WTD	5	Yes	1	-	1
3.	Mr.P.S.G.Nair	NEID	5	Yes	Nil	3	-
4.	Mr. Syed K. Husain	NED	5	Yes	4	-	-
5.	Mr. Sandeep P. Parikh	NEID	3	Yes	12	1	4
6.	Mr.Farukh S.Wadia	NEID	5	Yes	Nil	Nil	3

NEC - Non Executive Chairman

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

NED - Non Executive Director

NEID - Non Executive Independent Director

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement.

### C) Audit Committee

#### 1) Terms of Reference:

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

- a) Overseeing the financial reporting process and disclosure of financial information to ensure correctness and credibility of financial statements;
- b) Reviewing the quarterly and annual financial statements before submission to the Board of Directors;
- c) Discussing with the external auditors the nature and scope of audit before the commencement of the audit and having a post audit review to ascertain areas of concern, if any;
- d) Reviewing the performance of Statutory and Internal Auditors, Internal Audit function and the adequacy of Internal Control Systems;
- e) Discussing with Internal Auditor about significant findings, if any, and the follow up action on the same;
- f) Recommending the appointment/removal of external auditors and fixing of their remuneration;
- g) Investigating into matters specifically referred by the Board of Directors;
- h) Reviewing the annual financial statements with special reference to matters required to be included in the Directors' Responsibility Statement, changes in accounting policies if any, with reasons therefor, major accounting entries involving estimates based on exercise of judgment by management, significant adjustments made in the financial statements arising out of audit findings, compliance with listing and other legal requirements relating to financial statements, disclosure of any related party transactions and qualifications in the audit report;
- i) To look into reasons for substantial defaults in payment to fixed deposit holders, and creditors;
- j) Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors of the Company;
- k) Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.

## 2) Composition:

The Audit Committee comprises of 4 Directors as on 31<sup>st</sup> March 2014 i.e. Mr. P. S. G. Nair, Mr. Areef A. Patel, Mr. Farukh S. Wadia and Mr. Sandeep P. Parikh. Mr. P. S. G. Nair is the Chairman of the Committee. The Audit Committee met 4 times during the year ended 31<sup>st</sup> March, 2014. Dates on which Audit Committee Meetings were held are 29-05-2013, 12-08-2013, 14-11-2013, and 10-02-2014. Attendance of the members of the Committee at the Audit Committee Meetings held during the financial year ended 31 March, 2014, was as follows:

SR.NO.	NAME OF THE MEMBER	STATUS	NO.OF MEETINGS ATTENDED
1.	Mr.P.S.G.Nair	Chairman	4
2.	Mr. Areef A. Patel	Member	4
3.	Mr.Farukh S.Wadia	Member	4
4.	Mr. Sandeep P. Parikh	Member	2

The Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2014, were placed before the Committee for its consideration in the Audit Committee Meeting held on 28<sup>th</sup> May, 2014.

## D) Shareholders' Grievance Committee

### 1) Terms of Reference

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

### 2) Composition:

The Shareholders' Grievance Committee comprises of two Non-Executive Independent Directors i.e. Mr.P.S.G.Nair and Mr. Farukh S. Wadia. Mr.P.S.G.Nair is the Chairman of the Committee.





The Shareholders' Grievance Committee met twice during the financial year ended 31<sup>st</sup> March 2014. Dates on which Shareholders' Grievance Committee Meetings were held are 29-04-2013 and 30-10-2013. Attendance of the members of the Committee at the Shareholders' Grievance Committee Meetings was as follows:

SR.NO.	NAME OF THE MEMBER	STATUS	NO.OF MEETINGS ATTENDED
1.	Mr. P.S.G.Nair	Chairman	2
2.	Mr. Farukh S. Wadia	Member	2

during the year 2013-2014, 11 (Eleven) complaints were received from shareholders/investors. All these complaints have been replied to the satisfaction of the complainants.

The committee is reconstituted on 28<sup>th</sup> May 2014 as 'Stakeholders Relationship Committee' in accordance with Section 178 of the Companies Act, 2013. The terms of reference of the Shareholders' Grievance Committee was conferred on Stakeholders Relationship Committee.

The Company is also redressing the complaints through SCORES, which is centralized web based complaints redress system developed by SEBI.

All valid transfers received during the year 2013-2014 have been acted upon by the Company.

**E) Remuneration and Compensation Committee:**

**1) Terms of Reference**

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

**2) Composition**

The Remuneration and Compensation Committee, as on 31<sup>st</sup> March 2014, comprised of 3 Non-Executive Independent Directors i.e. Mr.P.S.G.Nair, Mr. Sandeep P. Parikh, and Mr.Farukh S.Wadia. Mr.P.S.G.Nair is the Chairman of the Committee. The Remuneration and Compensation Committee did not have an occasion to meet during the financial year 2013-2014.

**3) Details of the Managerial Remuneration paid during the year ended 31<sup>st</sup> March, 2014 :**

Details of managerial remuneration paid during the year ended 31<sup>st</sup> March, 2014 are given in Notes to Accounts. The Company has not paid any remuneration to Non-Executive Directors during the year ended 31<sup>st</sup> March, 2014, except sitting fees for attending meetings of the Board of Directors and Committees thereof.

The details of the equity shares of the Company held by Directors as on 31<sup>st</sup> March, 2014 are given below:

Sr. No.	Name of the Director	No. of Shares held
1.	Mr. Asgar S. Patel	10,65,879
2.	Mr. Areef A. Patel	9,27,884
3.	Mr. Sandeep P. Parikh	100

The committee is reconstituted on 28<sup>th</sup> May 2014 as 'Nomination and Remuneration Committee' in accordance with Section 178 of the Companies Act, 2013. The terms of reference of the Remuneration and Compensation Committee was conferred on Nomination and Remuneration Committee.

**F) The transfer of shares of the Company are processed by Share Transfer Agents i.e. Bigshare Services Private Limited and are approved by the Share Transfer Committee. The Share Transfer Committee met 10 times during the year ended 31<sup>st</sup> March, 2014 and approved transfer of shares of the Company.**

## G) General Body Meetings

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

YEAR	DATE	TIME	VENUE	No. of Special Resolutions passed
2013	25.09.2013	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	1
2012	28.09.2012	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	1
2011	28.09.2011	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	1

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

## H) Disclosures

- 1) During the year ended 31<sup>st</sup> March, 2014, there were no transactions of material nature entered into by the Company with Promoters, Directors, their relatives or the Management etc. that has potential conflict with the interest of the Company.
- 2) There were no instances of non-compliances nor were any penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- 3) In terms of the requirements of Clause 49 (v) of the Listing Agreement, Mr. Areef Patel the Executive Vice-Chairman and Mr. Deepak M. Keni General Manager- Accounts (heading the finance function) have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause.

## I) Means of Communication

- 1) Quarterly Results of the Company are published in news papers and also displayed on the web-site of the Company i.e. [www.patel-india.com](http://www.patel-india.com). The official updates are sent to the Stock Exchanges. The Annual Report of the Company is also available on the Company's website in a user-friendly and downloadable form.
- 2) Management Discussion and Analysis forms part of this Annual Report.
- 3) The Company also files information through NEAPS- a web based application provided by NSE which facilitates online filing of Corporate Governance Report, the Shareholding Pattern, Financial Results and Corporate Announcements by the companies.
- 4) The Ministry of Corporate Affairs (MCA) had mandated certain companies to file their Annual Accounts vide XBRL mode. XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. The Company has filed its Annual Accounts on MCA through XBRL.

## J) Subsidiary

During the year ended 31<sup>st</sup> March, 2014, the Company does not have any Subsidiary Company.

## K) Code of conduct

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



**L) General Shareholder Information**

- 1) The Annual General Meeting of the Company for the year ended March 2014 will be held on Thursday, the 21<sup>st</sup> August 2014, at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (West), Mumbai – 400 049, at 11.00 a.m.
- 2) The Financial Year of the Company comprises of a twelve month period which commences on 1<sup>st</sup> April of every year and ends on 31<sup>st</sup> March of the immediately succeeding year. The Financial Year under consideration commenced on 1<sup>st</sup> April, 2013 and ended on 31<sup>st</sup> March, 2014.

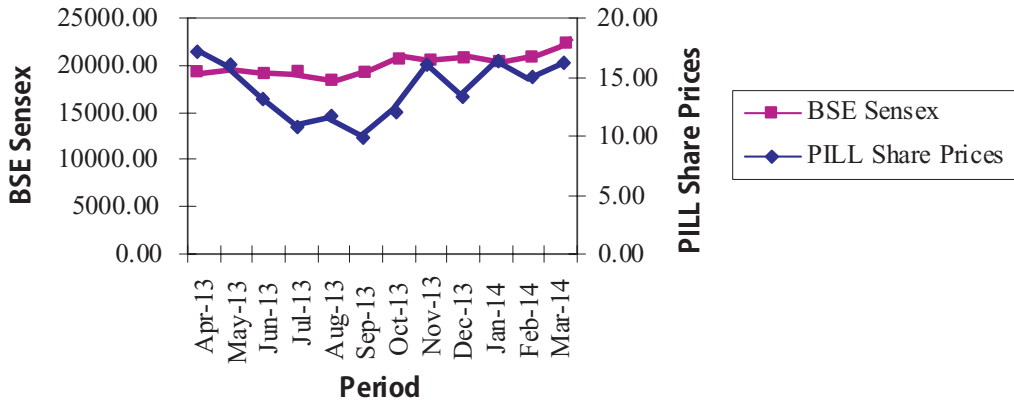
The Financial Calendar

Board Meeting for consideration of Annual Accounts	:	28 <sup>th</sup> May 2014
Mailing of Annual Reports	:	By Last Week of July, 2014.
Book Closure Dates	:	14.08.2014 to 21.08.2014 (both days inclusive).
Day, Date, Time and venue of the Annual General Meeting	:	Thursday the 21 <sup>st</sup> August 2014 at 11.00a.m. at The Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.
Board Meetings for the consideration of Unaudited Financial Results for the next three quarters of the current accounting year	:	Within forty five days from the end of each quarter with Limited review Report as stipulated under the Listing Agreement with stock exchanges.

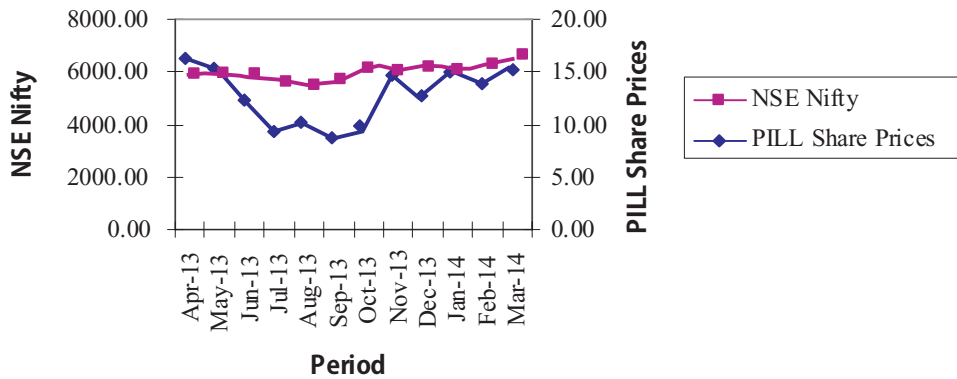
- 3) The Book Closure will be from 14<sup>th</sup> August 2014 to 21<sup>st</sup> August 2014 (both days inclusive).
- 4) Dividend for the year ended 31<sup>st</sup> March, 2014, if declared at the Annual General Meeting, will be paid within a period of 30 days, to the shareholders whose names appear on the Register of Members as at the date of the Annual General Meeting.
- 5) Equity Shares of the Company are listed on Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Ahmedabad Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Madras Stock Exchange Limited and The Calcutta Stock Exchange Association Limited.
- 6)
  - a) Scrip Code on the Bombay Stock Exchange Limited : 526381
  - b) Scrip ID on the National Stock Exchange of India Limited : PATINTLOG-EQ
- 7) ISIN (Security Code no. granted by Depositories) : INE529D01014
- 8) The monthly high and low quotations of shares traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited are as follows:

MONTH	BOMBAY STOCK EXCHANGE (BSE) (In Rs. Per share)		NATIONAL STOCK EXCHANGE (NSE) (In Rs. Per share)	
	Monthly High	Monthly Low	Monthly High	Monthly Low
April 2013	20.45	16.10	20.00	15.60
May 2013	18.70	15.75	17.90	15.50
June 2013	17.65	12.90	17.45	12.25
July 2013	15.90	9.22	14.35	10.05
August 2013	12.00	7.75	11.90	8.20
September 2013	12.05	8.12	11.40	7.60
October 2013	13.60	10.05	14.00	9.60
November 2013	16.00	11.00	15.75	10.00
December 2013	16.80	12.70	17.20	12.60
January 2014	19.12	13.50	19.55	15.45
February 2014	17.00	14.40	16.85	14.05
March 2014	18.80	13.90	17.95	14.00

**PILL Share Prices vis-avis BSE Sensex (Financial Year 2013-14)**



**PILL Share Prices vis-a-vis NSE Nifty (Financial Year 2013-14)**



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

During the year ended 31<sup>st</sup> March 2014, the erstwhile Share Transfer Agents of the Company M/s Computronics Financial Services (India) Ltd conveyed their intentions to discontinue the Share Transfer Work and to transfer the business of the Registrars and Share Transfer Agents to M/s Bigshare Services Private Limited. The Board of Directors in their Meeting held on 12<sup>th</sup> August 2013 has appointed M/s Bigshare Services Private Limited as the new Share Transfer Agents of the Company. Since then the Share Transfer work of the Company was being looked after by M/s Bigshare Services Private Limited (STA) having office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072. The STA have the necessary infrastructure to carry out share transfer work for shares in physical as well as in dematerialized form including the necessary connectivity with depositories. The STA also accepts and deals with investors' complaints.



10) **Share Transfer System**

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

11) **Distribution of Shareholding as on 31<sup>st</sup> March 2014**

NO.OF SHARES	NO.OF SHARE HOLDERS	% OF SHARE HOLDERS	SHARE HOLDING	% OF SHARES HELD
Up to 500	13,129	89.54	18,88,268	12.43
501-1000	730	4.98	6,01,449	3.96
1001-2000	369	2.52	5,53,402	3.65
2001-3000	121	0.83	3,08,836	2.03
3001-4000	55	0.37	2,00,008	1.32
4001-5000	49	0.33	2,29,560	1.51
5001-10000	105	0.72	7,64,488	5.03
10001 and above	104	0.71	1,06,40,601	70.07
<b>TOTAL</b>	<b>14,662</b>	<b>100.00</b>	<b>1,51,86,612</b>	<b>100.00</b>

12) **Shareholding Pattern of the Company as on 31<sup>st</sup> March 2014**

CATEGORY	NO.OF SHARES HELD	% SHARE HOLDING
Promoters' Holding (including Indian and NRI Promoters and Group Companies)	69,88,283	46.02
Mutual Funds	9,205	0.06
Corporate Bodies (other than Group Companies)	15,21,025	10.01
Indian Public	61,83,106	40.71
Non-Resident Indians (other than Promoters)	4,48,777	2.96
Others-Clearing Members/ Market Maker	36,216	0.24
<b>TOTAL</b>	<b>1,51,86,612</b>	<b>100.00</b>

13) **Details of unclaimed shares :**

In terms of clause 5All of the Listing Agreement, there are no unclaimed share certificates as on 31<sup>st</sup> March 2014.

14) **Constituents of House of Patels (Promoters and Promoter's group):**

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

15) **Details of Dematerialisation of shares**

As on 31<sup>st</sup> March, 2014, 92.67% of the Company's total Shares representing 1,40,72,810 Equity Shares were held in dematerialized form and balance 7.33% representing 11,13,802 Equity Shares were held in physical (paper) form.

16) **Outstanding GDRs/ADRs/Warrants or any Convertible instruments**

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

17) **Information for Communication**

a) Registered Office:

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

b) Registrars & Share Transfer Agents:

Bigshare Services Private Limited,  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (East), Mumbai-400072  
Tel: (022) 40430200  
Fax: (022) 28475207

c) Depositories:

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

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

Shareholders holding shares in physical mode are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account mandate details, residential status and queries / complaints etc. quoting their folio numbers to the Registrars & Share Transfer Agents of the Company or may also contact Company Secretary at the Registered office of the Company.

Shareholders holding shares in the dematerialized form shall address their correspondence regarding their shareholding to their respective Depository Participants (DP). and can address their queries / complaints to the Registrars & Share Transfer Agents of the Company or may also contact Company Secretary at the Registered office of the Company.

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

- i) A Chairman's Office with adequate staff, infrastructure facilities including Company maintained flat and car facility is provided at the Company's expense for the use of the Non-Executive Chairman of the Company to enable him to discharge his responsibilities effectively, when he visits India...
- ii) A Remuneration and Compensation Committee comprising of 3 Non-Executive Independent Directors of the Company is formed for reviewing and deciding appointment(s) of and remuneration payable to Executive/Non-Executive Directors and/or the Manager (if any), under the Companies Act, 1956 as and when required.

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

All Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31<sup>st</sup> March, 2014.

**Areef A. Patel**  
Executive Vice Chairman

Mumbai, 04<sup>th</sup> July 2014



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

We have examined the compliance of corporate governance by Patel Integrated Logistics Limited for the year ended 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

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

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

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

For **M S P & CO.**  
CHARTERED ACCOUNTANTS

**M.S. PARIKH**  
*Partner*  
Membership No.08684

Mumbai  
Dated : 4<sup>th</sup> July 2014

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

(Within the limits set by the Company's competitive position)

### Economic Scenario

During the last few years, GDP growth has fallen from 8.5 per cent to two consecutive years of a sub 5 per cent reading. Finally now India gave its verdict, putting the newly elected Government at the helm of things to restore investor confidence and kick-start growth in Asia's third largest economy. This victory should offer India 5 years of decisive governance, more market-based and friendly economics, and a focus on growth, jobs and investment in a gradual manner.

Although the Indian economy has pick up slightly in the second half of the year, it was not able to make its necessary impact at the end of the financial year. During the year 2013-14 the industrial output remained weak and the inflation remains elevated, limiting the scope for monetary stimulus to revive growth. High and persistent inflation remained challenge facing India throughout the year. The high inflation was a result of number of factors, including elevated food prices, entrenched inflation expectations, sector-specific supply constraints, weaker rupee and increased fuel prices

The manufacturing sector suffered from low investment sentiment, weak demand and policy bottlenecks. The agriculture and industry performed better while the service sector continued to be growth driver in FY 2013-14. Under services, trade, hotels, transport and communication sectors remain the worst hit of slowdown (3.5% annual growth as against growth of 5.1% in the previous year). This is reflected in slowdown in growth for service sector segment which accounts for a higher share of GDP as compared to the overall industrial sector.

The logistics industry in India is evolving rapidly and it is the interplay of infrastructure, technology and new types of service providers that will define whether the industry is able to help its customers reduce their logistics costs and provide effective services. The service oriented logistics industry is all set to expand beyond the horizons.

### Company's Business in brief:

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

- Surface Transport.
- Door Pick-up and Door Delivery.
- Domestic Cargo Consolidation.
- International Freight Forwarding & Courier Consolidation.
- Warehousing.

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

### (A) PATEL ROADWAYS

This division of the Company is having the conventional surface transport business which is used in the movement of industrial raw material and finished products like chemicals, machinery, plastic, steel and consumer products etc. This movement is executed through two business models, Full truck loads(FTL) and Part Loads(LTL). FTL business involves point-to-point movement of cargo in a single trip in truck loads of various capacities ranging from 3-25 tons. It also includes movement of specially containerised goods. LTL business involves movement of less than full truck loads of material ranging from 10kg to 9 tons. 53 yrs of service and a massive branch network has made this division earn the reputation of offering the finest services with strict adherence to delivery schedules.

#### **Industry overview:**

The economic growth of our country is no secret and we as a nation have been facing a double impact of high inflation and low growth. Commercial vehicle sales are considered the barometer of economic growth and this industry has been facing a steady decline year over year for the past 5 years after the global financial crisis. The transport sector faced the direct impact of the economic slowdown and has been going through trying times. At one end is falling freight and at the other end are rising fuel, increasing toll costs and other operating costs. The industry is still highly fragmented and largely unorganised with a large number of operators. The Industry continues to remain highly competitive due to the presence of large number of small players in the industry.

The sector continues to suffer from state level levies, non implementation of GST, poor road conditions, low price realisations and increasing labour costs.





**Opportunities & Threats:**

Expansion of the road network with better quality construction, opportunity to use higher capacity, more fuel efficient vehicles which help to reduce cost, increasing domestic consumption, rising economic wealth in Tier 2 cities, a new government at centre committed to reviving the economic growth, lifting of ban on mining offer opportunity for rapid future growth. Rising freight rates on the Railway network and competitive run time by surface due to improved highway network and ability to deliver in remote locations are going to be a big opportunity for the surface transport sector to share the freight moved by Railways in the coming times.

The proposed shift in Indian tax system from the current state-level Value Added Tax (VAT) to a national and uniform Goods and Services tax (GST) should help to create a national market for many goods and services as the trade boundaries between states will disappear and companies can consolidate their supply chains.

With liberalization, large Multinational Companies are looking towards India to be manufacturing hub for Asia and Africa, the potential for future growth is exponential. Adoption of IT aggressively by the industry has increased the reliability more than ever creating the ability for the industry to compete even with air movements too as even at a cost of a small delay in transit, the movement is executed at a tenth of the cost thereby realizing huge savings for customers.

The government is also keen to reform the transport sector which includes increasing public funding for transportation in its Five Year Plans, launching National Highway Development Program, Accelerated Road Development Program for the remote areas like North East region etc. The government is also financing the development and maintenance of roads by creating a Central Road Fund (CRF). This will lead to better infrastructure facilities and would help to enhance sector capacity and improve efficiencies.

Still, the industry remains vulnerable to certain threats. Ability of the government to contain inflation, to steer the country back on path to economic growth remains a challenge. As road transportation is a low-margin business, the unfavorable trend of rising fuel prices (constitute 50–60 percent of total transportation expenditure) over the last 5 years critically affects operating profitability. The entry of new players in the industry has also made the business extremely competitive.

The industry being highly labour intensive, spiraling wages of unskilled staff add another impediment as the higher costs have to be absorbed and the same cannot be passed on to the customers in high competition scenario. The risk involved in road transport is very high and vehicles moving with high value goods are always under threat of thefts and pilferages and the incidences of missing vehicles are also increasing inspite of VTS being in place. The condition of roads except for a few highways remains poor leading to high maintenance costs.

**Outlook:**

The outlook for the transportation market in India continues to remain very positive offering significant opportunities to all concerned stakeholders. While the quality of road infrastructure is certainly likely to improve, the pace of infrastructure development is critical to minimize losses, both economic and environmental.

Surface Transport Sector success largely depends upon infrastructural facilities available in the country. The demand for surface transport has been robust and can only surge forward subject to revival of economic growth. The focus on improving basic road infrastructure as well as technology adoption has increased in recent years. The number of expressways and highways has increased; many roads have been widened; electronic toll collection is becoming increasingly common; the 'green channel' concept is gaining ground, and inter-state check posts are becoming automated. Other examples of key progressive measures include the development of Indian Road Transportation Exchange (IRTEX) and gradual fleet modernization. Thus, against the backdrop of positive initiatives led by industry stakeholders, the industry, as a whole, needs to continue tapping the advantages of road transportation more efficiently and optimally than ever before.

**Risks & Concerns:**

The Road Transport Sector is subjected to many inherent operational risks like fragmented ownership of vehicles, poor infrastructure of roads, bureaucratic delays at the borders, poor vehicular maintenance, etc. It is also exposed to market risks and financial risks to which all the corporates are exposed. These include risks like fluctuations in the economy and sudden changes in the Governmental policies and laws at macro level and risks like increase in the prices of component parts and fuel, increase in the hiring charges of vehicles etc. at micro level. Besides these, the Road Transport Sector is also saddled by natural calamities and events like bandhs and riots in various parts of the country. The fuel hikes on petrol, diesel, CNG and LPG which leads to increase in the Freight rates, affects the prices of all the commodities and raw materials. The industry is also facing huge shortage of skilled drivers & hamals. The ability of the government to boost spending and consumption by driving down inflation and reducing interest rates remains a concern.

**(B) PATEL RETAIL**

This division of the Company provides Premium Door-to-Door Express Cargo Service to over 250 branches serving more than 400 delivery stations, covering the length and breadth of the Country. The differentiation factor between conventional roadways and express cargo can be explained in simple terms as Express Cargo offers movement in a defined transit and convenience of Door Pick Up and Door Delivery irrespective of the size and quantity of parcel.

**Industry Overview:**

Retail business has been born out of the current need of the market, where organizations wanted to reduce their costs on warehousing, manpower, inventory, wastages due to storage, damages or expiry. Large segment of corporates are willing to pay a premium for assured deliveries in guaranteed transit time. This leads to a boom in Express Cargo business which is now growing at a good pace. The Express Cargo industry primarily caters to the transportation of consumer goods which are high value and compact in nature. With the boom in consumer market and increase in living standard of middle class people of the country, Express Cargo industry is set to grow at a scorching pace in coming years.

**Opportunities & threats:**

The Retail business is growing in India due to increase in modern trade and malls in the newly developing cities across India and the demand for products are increasing rapidly. Moreover, in order to maintain its competitiveness, companies operating in textiles, automobiles and pharmaceuticals, IT peripherals industries are expected to outsource their logistics requirements to third party logistics service provider (3PL) and concentrate on their core-competency of manufacturing.

The opportunities in this business is extraordinary. Using strength of our existing infrastructure of nearly 350 branches / offices / hubs, VTS scheduled vehicles, Centralised Delivery System and aggressive team of operations, our Company has already tested success as this division logging good returns to the Company. Due to growth in e-commerce in India in last two years the scope for the express industry is widened.

Challenges faced by the division includes that this industry becoming more and more competitive. Existence of many Global Companies as well as established Indian Companies in this field, made the market competitive.

The other challenges includes matching upto the rising expectations of the customer, expanding the network to reach hitherto uncovered areas, containing rising fuel and freight costs and retention of manpower. The business involves well integrated micro planning at all levels of operations from pick up to delivery.

**Outlook:**

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

The net margins in this business are much higher as compared to those in the conventional freight transport business as the customer is prepared to pay a higher price for professional handling of cargo and door-to-door delivery, and "**Just in Time**" delivery of cargo. The success of this division is important for the Company ensuring a profitable bottom line and growth in market share.

**Risk & concerns:**

The complexities of this business are very high because the service levels are based on a number of constituents like reach (depth and width), government regulations, infrastructure etc which are not in the control of service providers in this industry. To a certain extent the risks are akin to the transport industry as a whole. Also the investment and planning levels required are also quite steep. The industry is facing significant challenges like increase in fuel cost, shortage of skilled manpower and increasing competition etc.

**(C) POBC AND PATEL AIRFREIGHT DOMESTIC**

These divisions of the Company carries on the business of air cargo consolidation in the domestic markets.

**Industry overview:**

The Air Freight sector in India has been grown at a Compounded Annual Growth rate of 11.36% from the year 2006 to 2011, and maintained a further growth rate of 10% in the year 2014. During the last five years,



the cargo handled at Indian airports witnessed Compounded Annual Growth Rate (CAGR) of 10.9%. These statistics reflects the hope and opportunities for the industry in the years to come. The industry needs to take up the challenge to be innovative and delivering new solutions in a creative manner. At the same time, it's also important that shippers are part of the innovation.

With the government focusing on expanding domestic air connectivity, the Civil Aviation Ministry has identified 24 airports for developing domestic cargo terminals to create a national logistic network for faster movement of goods and this is certainly leads to increase in efficiency of the Industry.

The year 2014-15, looks more promising and we hope that with the New Government in place the Indian economy should bounce back and grow at the much desired pace then what has it being growing in the last two years.

**Opportunities & Threats:**

The Air Cargo market in India is linked directly to the Indian Economy. With the New Government in place, we expect a change in Air Cargo market in the gradual manner with the hope that the Indian economy will back to its growth trajectory. The liberalization and globalisation of the aviation sector, integration of the world economy, and the increased strength of India in the Information Technology sector, has resulted in a boom in Indian economy, supporting a thriving global economy. This has increased the aggregate demand and is the single most important driver for air cargo service

The air cargo market will get a further boost with the recent FDI permission in aviation sector, as this will bring in the much-needed capital and global best practices to the Indian air cargo industry. Proactive and favourable government policies will greatly encourage investments in the air cargo industry and facilitate the setting up of the required amenities and infrastructure.

The arrival of the two new Airlines i.e. Air Asia & Tata – SIA will also boost to the cargo industry with new capacity getting added in the market which will ultimate lead to healthy competition in the market within the Airlines there by giving some respite to the burgling costs.

The only threat is the crisis in the Middle East which might leads to increase in OIL prices , which directly affects the Freight cost .

**Outlook:**

The Economy is set to move on a faster pace and accelerate in 2014-15 backed by the stable Government. The new initiatives taken by the Aviation Ministry in terms of Opening up of the aviation sector for new entrants will further leads to additional capacity and more demand in the domestics sector.

The outlook of Air Cargo industry looks very bright. Especially with the growth of the Tele-Shopping, E Commerce segment and demand for Mobile industry, the air cargo industry is poised to take the advantage of such tremendous growth.

**Risks & Concerns:**

The lack of proper infrastructure is proving to be a roadblock to efficient cargo handling in the Indian air Cargo market. Cargo warehousing facilities are not up to standards at India's major airports. Also Domestic cargo operations have been largely limited because of non-availability of warehousing space in the Tier-2 and Tier-3 cities. The Middle East crisis might leads to high oil prices leading to hike in ATF prices which will again increase the FSC of the airlines which ultimately hitting the bottom-line of the Companies operated in this industry.

**(D) POBC AND PATEL AIRFREIGHT INTERNATIONAL**

These Divisions are in the business of wholesale courier consolidation for International Sectors as well as Airfreight and operates line hauls ex Mumbai and Delhi to various International Destinations.

**Industry overview:**

The Industry overview is somewhat similar to that of Domestic industry as it is a part of same industry with the main difference that these divisions consolidates international courier loads and Airfreight in International market.

Today the challenge across many business sectors is to keep pace with changes. Of course, it's not different in the courier and express sector, where there is a real focus, impact and pressure upon businesses to strive to meet rising customer expectations.

Over the past five years, the Global Courier and Express Services industry is recovering very slowly, from the global economic slowdown. The global economic downturn caused the global consumer spending and the total value of world trade to decline, as the largest economies in the world went into recession. Consequently, demand for the transportation of packages and parcels diminished, causing industry revenue to plummet.

The Global Courier and Express Services industry is centered in North America, Europe and North Asia. Like any transportation industry, the demand for courier services is predominantly associated with the level of business and consumer spending. The performance of this industry depends on the same broad factors that determine economic performance, such as GDP and the level of trade and growth within industries that use couriers and delivery services to transport goods.

**Opportunities & Threats:**

The global economy presents its own set of opportunities and threats for businesses in a range of industries.

The internet and e-commerce development brought many opportunities in the global market. The customer demands both the convenience and certainty of delivery, whether it be for mail or parcels. Whilst e-commerce raises customer expectations surrounding delivery, it places huge demands upon businesses within our sector to innovate and satisfy customer demands while controlling operating costs.

The Global Air Freight Logistics industry primarily transports commercial cargo as well as time-sensitive freight and mail. Because the industry moves goods throughout the world, it is dependent on the level of international trade between countries.

The Global Cargo Airlines industry has high barriers to entry. Costs to purchase specialist machinery, aircraft, hangars and other airfield space can easily run into the hundreds of millions of dollars. However, operating small, local services require much less investment. Skilled labor and stringent safety requirements can also substantially increase the cost of entering the industry. Moreover, there is substantial overcapacity. Pricing remains a cause for concern as the lines between express services and standard services are diminishing. Strict government regulations, licensing and reporting requirements are also major restrictions. Furthermore, long-term Global transportation contracts can effectively lock out entrants from doing business with certain customers.

**Outlook:**

We are continuously exploring the challenges across the courier and express parcels sector as a whole, the regulatory framework, advances in technological development and a vision for the future in bringing together operators, shippers, suppliers and high generators of courier and express parcels.

With the emerging Indian Economy and India's share of World Trade increasing, the outlook for India's Air Exports appears to be good. We expect cargo volumes to improve in the current year as compared with the year 2013-14, which is in line with expectations for economic growth and increased share of world trade. With the support by strengthening demand growth for Asian manufactured consumer goods in the mature markets of North America and Europe, we hope better recovery in air cargo volumes in years to come.

**Risks & Concerns:**

Increasing fuel prices, security threats, changing inventory strategies, mode shifting, and provider consolidation put the international air cargo industry in a tailspin. Still many of the topics needs to address effectively in the international scenario, such as customs reforms, air industry liberalization, modernization of air traffic management systems, the environment, paperless trading, and quality standards etc.

**Human Resource Management:**

The "House of Patels" is mainly a service provider in the arena of Logistics. In this field there are several players, and the fact that we have completed half a century and are one of the acknowledged leaders in this field is mainly due to the quality of service that we provide to our esteemed clients.

The Indian Logistics sector has been growing at faster pace than the global industry in the past decade. However, there is an acute shortfall of personnel with adequate training and education in logistical management in India. The management and mid-tier levels are provided with training on leadership skills, jointed skills and positions and being process-driven.

Sourcing the right candidates, engagement, development and retention of intellectual capital is a vital management exercise. Our human capita constitutes a judicious mix of youth, imagination, risk-taking ability and seasoned experience

The management firmly believes that the 'people' are the driving force behind the growth of every organization and continues to focus on people development. As a service-based sector, logistics services can only be as efficient as the efficiency of its lowest rung employee. Skill based training is imparted to the entry level or the 'Blue Collared' employee. The Company has always held the view that recognizing and rewarding excellence is essential for having a totally committed, dedicated and "charged" work force.

From the bottom to the top, a change in the efficiencies of personnel will spur the growth of the company, and allow business to scale greater heights.



The Company continues to enjoy peaceful and harmonious relations with all its employees through several proactive measures during the year. The Company employed 967 people as on 31<sup>st</sup> March 2014.

**Internal Control System:**

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

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

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

The discussion on the financial performance of the Company is covered in the Directors' Report. The segment-wise performance is available in note 33 of the notes forming part of the Accounts for the year under consideration.

**Cautionary Statement:**

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

## Secretarial Audit Report

To,  
The Board of Directors  
Patel Integrated Logistics Limited  
Patel House, 48 Gazdar bandh,  
North Avenue Road, Santacruz (West)  
Mumbai 400 054

I have examined the registers, records and documents of Patel Integrated Logistics Limited ("the Company") for the financial year ended on March 31, 2014 according to the provisions of –

- The Companies Act, 1956 and the Rules made under that act and 98 sections of Companies Act, 2013 notified vide Ministry of Corporate Affairs Gazette Notification No. S.O.2754(E) dated September 12, 2013;
  - The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
  - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    - 1) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - 2) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - 3) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - The Equity Listing Agreements with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
1. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company, I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and 98 sections of Companies Act, 2013 notified vide Ministry of Corporate Affairs Gazette Notification No. S.O.2754(E) dated September 12, 2013 ("the Act") and the Memorandum and Articles of Association of the Company, with regard to:
- a) Maintenance of various statutory registers and documents and making necessary entries therein;
  - b) Closure of the Register of Members;
  - c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and Central Government;
  - d) Service of documents by the Company on its Members;
  - e) Notice of Board meetings and Committee meetings of Directors;
  - f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
  - g) The 51<sup>st</sup> Annual General Meeting held on 25<sup>th</sup> September 2013;
  - h) Minutes of proceedings of General Meetings and of Board and its Committee meetings;
  - i) Approvals of the Members, the Board of Directors, the Committees of Directors and government authorities, wherever required;
  - j) Constitution of the Board of Directors / Committee(s) of Directors and appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
  - k) Payment of remuneration to the directors including the Managing Director and Whole-time Directors;
  - l) Appointment and remuneration of Auditors;



- m) Transfers and transmissions of the Company's shares, issue and allotment of shares and issue and delivery of original and duplicate certificates of shares;
- n) Payment of interest on fixed deposits and repayment / renewal of fixed deposits.
- o) Declaration and payment of dividends;
- p) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund;
- q) Borrowings and registration, modification and satisfaction of charges;
- r) Investment of the Company's funds including inter corporate loans and investments and loans to others;
- s) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in revised Schedule VI to the Act;
- t) Board's report, Corporate Governance Report Management Discussion and Analysis;
- u) Contracts, common seal, registered office and publication of name of the Company; and
- v) Generally, all other applicable provisions of the Act and the Rules made under that Act.

2 I further report that:

(a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings debenture holdings and directorships in other companies and interests in other entities;

(b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel;

(c) the Company has obtained all necessary approvals under the various provisions of the Act; and

(d) there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

3 I further report that:

(a) the Company has complied with the requirements under the Equity Listing Agreements entered into with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited;

(b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;

(c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;

DINESH KUMAR DEORA  
PRACTISING COMPANY SECRETARY  
MEMBERSHIP NO. FCS 5683 COP NO. 4119

PLACE: MUMBAI  
DATE: 04-07-2014

## INDEPENDENT AUDITOR'S REPORT

To,

**The Members of**

Patel Integrated Logistics Limited.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Patel Integrated Logistics Limited**, which comprise of Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b. in the case of the Profit and Loss Statement, of the Profit for the year ended on that date; and
- c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;





- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **M S P & CO.**  
*Chartered Accountants*  
(FRN. 107565W)

**M. S. Parikh**  
*(Partner)*  
(Membership No. 08684)  
Place: Mumbai,  
Date: 28<sup>th</sup> May, 2014

## Annexure to Independent Auditor's Report

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Patel Integrated Logistics Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (I) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) We have been informed that the physical verification of fixed Assets is done in a phased manner to cover all the Fixed Assets in the span of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) The Fixed Assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (II) In respect of inventory of stores, operating supplies, etc.:
- In view of there being no requirement to carry and hold any stock of inventories, therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (III) (a) According to the information and explanation given to us and on the basis of our examination the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956, therefore, the provision of this clause III (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (e) The Company has taken unsecured loan from two companies listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs.1,15,00,000/- (1 Company) and the year end balance of loan taken from such company is Rs. Nil.
  - (f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions are prima-facie not prejudicial to the interest of the company.
  - (g) The principal amounts are been repaid as per the repayment schedule and there is no interest outstanding to the loan amount in the financial statement.
- (IV) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the internal control system.
- (V) In respect of contracts or arrangement entered in the Register maintained in pursuance of section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us;
- (a) The transactions made in pursuance of contracts or arrangements that are required to be entered in the Register maintained under Section 301 of the Companies Act, 1956, have been duly entered by the Company.



- (b) In our opinion, the transactions in pursuance of contracts or arrangements that are required to be entered in the Register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 500,000/- (Rupees Five Lacs Only) or more in respect of any party during the year, the rates are considered to be reasonable having regard to the prevailing market price at the relevant time.
- (VI) In our opinion and according to the explanations given to us, the Company has complied with the provision of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, and the Directives issued by the Reserve Bank of India with regards to the deposits accepted from the public. According to the information and explanation given to us, no order under the aforesaid sections has been passed by the Company Law Board on the Company.
- (VII) In our opinion, the Company has an in house internal audit system and it has also assigned internal audit through independent firm of Chartered Accountants which is commensurate with the size and nature of Company's business.
- (VIII) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of any of the activities of the Company.
- (IX) (a) In our opinion and according to the explanations given to us, the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- (X) The Company has no accumulated loss as at 31<sup>st</sup> March, 2014 and has not incurred cash losses in the financial year covered under audit and in the immediately preceding financial year.
- (XI) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions.
- (XII) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (XIII) The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (XIV) In our opinion and according to information and explanations given to us, the Company is not dealing in or trading in Shares, securities, debentures and other investments. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (XV) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (XVI) In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which the same were obtained.
- (XVII) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, no funds have been raised on short term basis, which are used during the year for long term investment and vice versa.

- (XVIII) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 during the year. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (XIX) In our opinion and according to the information and explanations given to us, the Company has not issued any debentures.
- (XX) The Company has not raised any money by public issue during the year.
- (XXI) To the best of our knowledge and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company nor have we been informed of any such case by the management.

For **M S P & CO.**  
*Chartered Accountants*  
(FRN. 107565W)

**M. S. Parikh**  
*(Partner)*  
(Membership No. 08684)  
Place: Mumbai,  
Date: 28<sup>th</sup> May, 2014



## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note	Rupees	As At 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share Capital	2	15,18,66,120		15,18,66,120
Reserves and surplus	3	<u>74,72,56,680</u>	<b>89,91,22,800</b>	<b>74,17,52,294</b>
				<b>89,36,18,414</b>
<b>Non - Current Liabilities</b>				
Long Term Borrowings	4	10,34,04,834		10,39,51,957
Deferred Tax Liability ( Net )	5	4,62,31,649		4,85,33,076
Other Long Term Liabilities	6	<u>7,36,13,773</u>	<b>22,32,50,256</b>	<b>8,34,56,602</b>
				<b>23,59,41,635</b>
<b>Current Liabilities</b>				
Short Term Borrowings	7	29,54,10,764		32,50,71,220
Trade Payables	8	22,51,42,890		20,85,96,769
Other Current Liabilities	9	17,13,40,646		20,90,17,683
Short Term Provisions	10	<u>10,36,17,548</u>	<b>79,55,11,848</b>	<b>9,54,40,145</b>
				<b>83,81,25,817</b>
			<b>1,91,78,84,904</b>	<b>1,96,76,85,866</b>
<b>TOTAL</b>				
<b>ASSETS</b>				
<b>Non - Current Assets</b>				
<b>Fixed Assets</b>				
Tangible Assets	11	48,00,04,046		50,62,70,263
Intangible Assets	11	17,78,376		25,27,512
Capital Work-in-Progress	11	<u>39,91,588</u>	<b>48,57,74,010</b>	<b>38,91,588</b>
				<b>51,26,89,363</b>
Non - Current Investment	12	1,71,96,596		1,71,96,596
Long Term Loans and Advances	13	<u>7,82,38,703</u>	<b>9,54,35,299</b>	<b>8,93,28,424</b>
				<b>10,65,25,020</b>
<b>Current Assets</b>				
Trade Receivable	14	86,49,76,604		91,62,38,063
Cash and Cash Equivalents	15	16,61,53,676		17,24,07,245
Short Term Loans and Advances	16	30,00,44,496		25,64,30,299
Other Current Assets	17	<u>55,00,819</u>	<b>1,33,66,75,595</b>	<b>33,95,876</b>
				<b>1,34,84,71,483</b>
			<b>1,91,78,84,904</b>	<b>1,96,76,85,866</b>
<b>TOTAL</b>				
Significant Accounting Policies	1			
Notes on Financial Statements	2 - 37			

As per our report of even date  
For **M S P & Co.**  
Chartered Accountants  
( Registration No. 107565W )

For and on behalf of the Board,

**M. S. PARIKH**  
Partner  
Membership No. 08684  
Mumbai,  
Dated : 28th May, 2014

**AREEF A. PATEL**  
Executive Vice Chairman

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

**SYED K. HUSAIN**  
Director

**SANDEEP P. PARIKH**  
Director

**FARUKH S. WADIA**  
Director

**DEEPAK M. KENI**  
GM - Accounts ( Head of Finance )

**NITIN B. AKOLKAR**  
Company Secretary

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Note	For the Year 2013-14 Rupees	For the Year 2012-13 Rupees
<b>INCOME</b>			
Revenue from Operations	18	5,45,79,91,975	5,79,42,09,579
Other Income	19	86,68,463	92,43,365
<b>Total Revenue</b>		<b>5,46,66,60,438</b>	<b>5,80,34,52,944</b>
<b>EXPENSES</b>			
Operating Cost	20	4,82,21,15,900	5,13,51,79,216
Employee Benefits Expense	21	26,21,78,223	26,38,52,873
Finance Costs	22	9,15,17,116	9,18,94,256
Depreciation and Amortisation Expense	11	4,48,96,695	4,93,09,157
Other Expenses	23	21,50,64,123	22,46,99,588
<b>Total Expenses</b>		<b>5,43,57,72,057</b>	<b>5,76,49,35,090</b>
<b>Profit Before Tax</b>		<b>3,08,88,381</b>	<b>3,85,17,854</b>
<b>Tax Expense</b>			
Current Tax		97,00,000	1,53,00,000
Deferred Tax		(23,01,427)	(9,10,095)
<b>Profit for the year</b>		<b>2,34,89,808</b>	<b>2,41,27,949</b>
<b>Earning per Equity Share of face value of Rs. 10/- each</b>			
Basic and Diluted ( in Rs. )	24	1.55	1.59
Significant Accounting Policies	1		
Notes on Financial Statements	2 - 37		

As per our report of even date  
For **M S P & Co.**  
Chartered Accountants  
( Registration No. 107565W )

**M. S. PARIKH**  
Partner  
Membership No. 08684  
Mumbai,  
Dated : 28th May, 2014

For and on behalf of the Board,

**AREEF A. PATEL**  
Executive Vice Chairman

**SANDEEP P. PARIKH**  
Director

**NITIN B. AKOLKAR**  
Company Secretary

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

**FARUKH S. WADIA**  
Director

**SYED K. HUSAIN**  
Director

**DEEPAK M. KENI**  
GM - Accounts ( Head of Finance )



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year Ended 31.03.2014 Rupees	Year Ended 31.03.2013 Rupees
<b>A: CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit Before Tax as per Profit and Loss Account</b>	<b>3,08,88,381</b>	<b>3,85,17,854</b>
Adjusted For :		
Loss on Sale / Discard of Assets ( Net )	72,878	18,36,307
Depreciation	4,48,96,695	4,93,09,157
(Net gain) / Loss on Sale of Investments	-	16,60,647
Dividend Income	(4,79,058)	(4,41,653)
Interest Income	(59,65,962)	(51,93,747)
Finance Cost	<u>9,15,17,116</u>	<u>9,18,94,256</u>
	13,00,41,669	13,90,64,967
<b>Operating Profit Before Working Capital Changes</b>	<b>16,09,30,050</b>	<b>17,75,82,821</b>
Adjusted For :		
Trade and Other Receivables	3,76,46,653	(8,81,99,898)
Trade and Other Payables	<u>(1,17,58,817)</u>	<u>5,79,70,828</u>
	<u>2,58,87,836</u>	<u>(3,02,29,070)</u>
<b>Cash Generated from Operations</b>	<b>18,68,17,886</b>	<b>14,73,53,751</b>
Taxes Received / ( Paid ) ( Net )	<u>(2,80,73,268)</u>	<u>(3,30,85,609)</u>
	(2,80,73,268)	(3,30,85,609)
<b>Net Cash from Operating Activities</b>	<b><u>15,87,44,618</u></b>	<b><u>11,42,68,142</u></b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(3,18,23,621)	(8,10,52,110)
Sale of Fixed Assets	1,38,69,400	35,43,500
Sale of Investment	-	1,35,21,502
Movement in Fixed Deposits ( Net )	(3,36,70,654)	64,94,264
Increase in Capital Work in Progress	(1,00,000)	(10,50,000)
Interest Received	38,61,020	50,85,157
Dividend Received	4,79,058	4,41,653
<b>Net Cash ( used in ) Investing Activities</b>	<b><u>(4,73,84,797)</u></b>	<b><u>(5,30,16,034)</u></b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

### C: CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from Public Deposits ( Net )	1,32,62,000	1,76,00,000
Proceeds from Long Term Borrowings ( Net )	(3,50,28,978)	1,65,99,986
Proceeds from Short Term Borrowings ( Net )	(2,96,60,456)	3,68,73,833
Interest Paid	(9,09,72,814)	(9,16,50,958)
Dividend Paid	(88,83,796)	(2,11,80,312)
<b>Net Cash ( used in ) / from Financing Activities</b>	<b>(15,12,84,044)</b>	<b>(4,17,57,451)</b>
<b>Net Increase / (decrease) in Cash and Cash Equivalents</b>	<b>(3,99,24,223)</b>	<b>1,94,94,657</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>14,11,18,704</b>	<b>12,16,24,047</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>10,11,94,481</b>	<b>14,11,18,704</b>

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

As per our report of even date  
For **M S P & Co.**  
Chartered Accountants  
( Registration No. 107565W )

For and on behalf of the Board,

**M. S. PARIKH**  
Partner  
Membership No. 08684  
Mumbai,  
Dated : 28th May, 2014

**AREEF A. PATEL**  
Executive Vice Chairman

**SANDEEP P. PARIKH**  
Director

**NITIN B. AKOLKAR**  
Company Secretary

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

**FARUKH S. WADIA**  
Director

**SYED K. HUSAIN**  
Director

**DEEPAK M. KENI**  
GM - Accounts ( Head of Finance )





## Notes on Financial Statements for the Year Ended 31st March, 2014

### 1 Significant Accounting Policies

#### a. Basis for preparation of Financial Statements:

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards notified under Section 211[3c] of the Companies Act, 1956 and the relevant provisions thereof.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956.

Based on the nature of service and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non – current classification of assets and liabilities.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumption that affect the reported amounts of assets and liabilities as at the balance sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumption used in the financial statements are based upon the managements evaluation of the relevant facts and circumstances as of the date of financial statements.

#### b. Fixed Assets and Depreciation:

- i. All fixed assets are stated at cost of acquisition which includes amounts added on revaluation, less accumulated depreciation and impairment losses.
- ii. Assets acquired on financial lease on or after April 1, 2001 are capitalised at their fair values.
- iii. Depreciation / Amortisation  
Depreciation on all assets, including those revalued, and those valued at market price is provided under straight line method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.
- iv. Depreciation on additions to assets or sale or disposal of assets is calculated on a pro-rata basis from / to the date of addition / deduction.
- v. Computer Software is amortised over a period of three years, being the economic useful life as estimated by the management.
- vi. Cost of leasehold land is amortised over the residual period of the lease.
- vii. Assets taken on financial lease are depreciated over their useful life.

#### c. Impairment of Assets:

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

#### d. Investments:

- i. Non – Current Investments are stated at cost as they are made with long-term perspective. Provision for diminution, if any, in value of investments is made to recognize a decline other than temporary in the value of the investment and valuation is done on global basis.
- ii. Membership shares of a Co-operative Housing Society related to office premise are included under Non - Current Investments.
- iii. Profit / Loss on sale of Non – Current Investments is computed on FIFO basis.

## Notes on Financial Statements for the Year Ended 31st March, 2014

e. Policy For Revenue Recognition:

- i. Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned / incurred, except those with significant uncertainties.
- ii. Amounts recovered towards demurrage and delivery charges are accounted at the time when they are ultimately realised. Freight includes recoverable on undelivered consignments as certified by the management and recoveries for other allied services.
- iii. Income on account of Co-Loading and Cargo division is recognized on booking of courier & cargo load.
- iv. Cargo Freight charges has been accounted on gross basis and commission received if any, against the same has been accounted as revenue from operation under the head commission against cargo freight charges
- v. Dividend income from investment is recognised as and when received.
- vi. Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.
- vii. Claims made against the Company are evaluated as to type thereof, period for which they are outstanding and appropriate provision made. Claims are stated net of recoveries from Insurance Companies and others.
- viii. Administrative and other expenses are stated net of recoveries wherever applicable.

f. Retirement Benefits (Staff Benefits):

- i. The Company has taken a policy with Life Insurance Corporation of India under the Group Gratuity Scheme to cover gratuity liability to the extent of Rs.10,00,000/- per employee and the premium is accrued on yearly basis. Additional liability if any, in excess of Rs.10,00,000/- per employee is provided for on payment basis in respect of gratuity entitlement.
- ii. Leave encashment is accounted on the basis of actuarial valuation as at the close of the financial year.

g. Foreign Currency Transactions:

- i. Current Assets / Liabilities denominated in foreign currency are restated at the rates prevailing at the year end or at the rates at which forward cover has been booked, whichever is applicable.
- ii. Difference, if any, on settlement / restatement is taken to Profit and Loss Account.

h. Taxes on Income:

- i. Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- ii. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets are recognised and carried forward only to the extent there is a reasonable certainty that sufficient future taxable income will be available against such deferred tax can be realised.

i. Provision and contingencies:

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



## Notes on Financial Statements for the Year Ended 31st March, 2014

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>2 SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
2,00,00,000 Equity Share of Rs. 10/- each (2,00,00,000)	20,00,00,000	20,00,00,000
	<u><b>20,00,00,000</b></u>	<u><b>20,00,00,000</b></u>
<b>Issued, Subscribed and Paid Up :</b>		
1,51,86,612 Equity Shares of Rs, 10/- each paid up value (1,51,86,612)	15,18,66,120	15,18,66,120
<b>TOTAL</b>	<u><b>15,18,66,120</b></u>	<u><b>15,18,66,120</b></u>

2.1 The reconciliation of the number of shares outstanding is set out below :

Particulars	As At 31.03.2014 No. of Shares	As At 31.03.2013 No. of Shares
Equity Shares at the beginning of the year fully paid up	1,51,86,612	1,51,86,612
<b>Equity Shares at the end of the year</b>	<b>1,51,86,612</b>	<b>1,51,86,612</b>

2.2 Rights, preferences and restrictions attached to the equity shares -

The Company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

2.3 The details of Shareholders holding more than 5 % shares :

Name of the Shareholders	As At 31.03.2014		As At 31.03.2013	
	No. of Shares	% held	No. of Shares	% held
Patel Holdings Limited	30,25,667	19.92	30,25,667	19.92
A. S. Patel Trust	13,71,500	9.03	13,71,500	9.03
Mr. Asgar S. Patel	10,65,879	7.02	10,65,879	7.02
Mr. Areef A. Patel	9,27,884	6.11	9,15,184	6.03

## Notes on Financial Statements for the Year Ended 31st March, 2014

	Rupees	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>3 RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>		1,27,33,553	1,27,33,553
<b>Capital Redemption Reserve</b>		18,60,000	18,60,000
<b>Securities Premium Reserve</b>		24,65,75,337	24,65,75,337
<b>General Reserve</b>			
As per last Balance Sheet	38,78,23,518		36,78,23,518
Add : Transferred from Profit and Loss Account	<u>2,00,00,000</u>		<u>2,00,00,000</u>
		40,78,23,518	38,78,23,518
<b>Other Reserve</b>			
<b>Contingency Reserve</b> (To meet contingencies )			
As per last Balance Sheet	3,00,00,000		-
Add : Transferred from Profit and Loss Account	<u>95,00,000</u>		<u>3,00,00,000</u>
	3,95,00,000		3,00,00,000
Less : Transfer to Profit and Loss Account	<u>91,01,626</u>		<u>-</u>
		3,03,98,374	3,00,00,000
<b>Profit and Loss Account</b>			
As per last Balance Sheet	6,27,59,886		9,75,15,733
Add : Profit for the year	<u>2,34,89,808</u>		<u>2,41,27,949</u>
	8,62,49,694		12,16,43,682
Less : Appropriations			
Transferred to General Reserve	2,00,00,000		2,00,00,000
Transferred to Contingency Reserve	95,00,000		3,00,00,000
Proposed Dividend on Equity Shares ( Dividend per share Rs. 0.50/- ( Previous Year Rs. 0.50/- )	75,93,306		75,93,306
Tax on Dividend	<u>12,90,490</u>		<u>12,90,490</u>
		4,78,65,898	6,27,59,886
<b>TOTAL</b>		<u><b>74,72,56,680</b></u>	<u><b>74,17,52,294</b></u>

	As At 31.03.2014		As At 31.03.2013	
	Non Current Rupees	Current Rupees	Non Current Rupees	Current Rupees
<b>4 LONG TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan	81,72,498	5,98,195	87,70,693	5,20,467
Deferred Payment Liabilities	<u>80,42,336</u>	<u>2,37,42,880</u>	<u>3,38,33,264</u>	<u>3,24,60,462</u>
	<b>1,62,14,834</b>	<b>2,43,41,075</b>	<b>4,26,03,957</b>	<b>3,29,80,929</b>
<b>Unsecured</b>				
Loans and advances from Related Parties	-	-	-	1,17,94,313
Deposit accepted from public	<u>8,71,90,000</u>	<u>3,26,02,000</u>	<u>6,13,48,000</u>	<u>4,51,82,000</u>
	<b>8,71,90,000</b>	<b>3,26,02,000</b>	<b>6,13,48,000</b>	<b>5,69,76,313</b>
<b>TOTAL</b>	<u><b>10,34,04,834</b></u>	<u><b>5,69,43,075</b></u>	<u><b>10,39,51,957</b></u>	<u><b>8,99,57,242</b></u>

4.1 Deferred payment liabilities referred above are secured by way of mortgage of trucks and motor cars.



## Notes on Financial Statements for the Year Ended 31st March, 2014

4.2 Term loan liability referred above is secured by office building.

4.3 Maturity Profile of Secured Term Loan is as set out below :

	1 - 2 Years	2 - 3 Years	3 - 4 Years	Beyond 4 Years
Term loan	6,87,530	7,90,208	9,08,219	57,86,541
			<b>As at 31.03.2014 Rupees</b>	<b>As at 31.03.2013 Rupees</b>

### 5 DEFERRED TAX LIABILITY (NET)

#### Deferred Tax Liability

Related to Fixed Assets

4,83,96,449

5,01,58,475

#### Deferred Tax Assets

Disallowances under the Income Tax Act, 1961

21,64,800

16,25,399

#### TOTAL

**4,62,31,649**

**4,85,33,076**

**As at  
31.03.2014  
Rupees**

**As at  
31.03.2013  
Rupees**

### 6 OTHER LONG TERM LIABILITIES

Deposits\*

2,46,51,991

2,57,68,666

Liabilities for claims

4,89,61,782

5,76,87,936

#### TOTAL

**7,36,13,773**

**8,34,56,602**

\* Deposits includes deposits from Transporters, Customers, Franchisees and Godown owners.

**As at  
31.03.2014  
Rupees**

**As at  
31.03.2013  
Rupees**

### 7 SHORT TERM BORROWINGS

#### Secured - Loans repayable on demand

Working Capital Loans From Banks

28,30,36,698

31,17,74,473

#### Unsecured

Working Capital Loans From Banks

1,23,74,066

15,02,434

Loans and advances from Related Parties ( Including interest thereon Rs. Nil [ Previous Year Rs. 2,94,313/- ] )

-

1,17,94,313

#### TOTAL

**29,54,10,764**

**32,50,71,220**

7.1 Working Capital Loans From Banks :

Secured by :

Pari Passu Hypothecation charges on all the present & future book debts ( Less than 90 Days ) and movable assets other than those acquired under hire purchase agreement.

Collateral Security -

- Personal Gurantee of Wholetime Director designated as Executive Vice Chairman.

- Equitable Mortgage of certain properties :

a) owned and situated at Mumbai

b) owned by A S Patel Trust situated at Mumbai.

## Notes on Financial Statements for the Year Ended 31st March, 2014

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>8 TRADE PAYABLES</b>		
Acceptances	12,94,00,000	14,95,00,000
Others	9,57,42,890	5,90,96,769
<b>TOTAL</b>	<b><u>22,51,42,890</u></b>	<b><u>20,85,96,769</u></b>

8.1 The Company has not received any intimation from its Vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure, if any under the said Act has not been made.

	Rupees	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>9 OTHER CURRENT LIABILITIES</b>			
Current maturities of Public Deposits		3,17,85,000	4,40,24,000
Current maturities of deferred payment liabilities		2,37,42,880	3,24,60,462
Current maturities of term loan liabilities		5,98,195	5,20,467
Interest accrued but not due on public deposits		55,90,504	53,80,395
Unclaimed Dividend		40,86,242	40,63,155
Unclaimed matured deposits and interest accrued thereon		12,00,957	12,07,763
Creditors for Capital Expenditure		50,500	22,62,224
<b>Other Payables</b>			
Staff Advance	41,432		45,960
Statutory Liabilities	1,62,28,426		5,10,70,223
Staff Liabilities	2,26,78,465		2,05,00,263
Sundry Deposits	63,17,141		48,79,087
Overdrawn balance in current account with bank	27,60,067		41,46,729
Liabilities for claims	1,05,63,870		1,21,84,628
Other Payables*	<u>4,56,96,967</u>		<u>2,62,72,327</u>
		10,42,86,368	11,90,99,217
<b>TOTAL</b>		<b><u>17,13,40,646</u></b>	<b><u>20,90,17,683</u></b>

\* Includes Agency payables, etc.

		As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>10 SHORT TERM PROVISIONS</b>			
Provisions for Leave Encashment		1,53,58,752	1,68,19,376
Proposed Dividend		75,93,306	75,93,306
Tax on Dividend		12,90,490	12,90,490
Provision for Wealth Tax		2,75,000	2,19,000
Provision for Income Tax		7,91,00,000	6,95,17,973
<b>TOTAL</b>		<b><u>10,36,17,548</u></b>	<b><u>9,54,40,145</u></b>



**Notes on Financial Statements for the Year Ended 31st March, 2014**

(Amt. in Rs.)

**11 FIXED ASSETS**

Description	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01.04.2013	Additions / Adjustments	Deductions / Adjustments	As at 01.04.2013	For the Year 2013-14	Deductions / Adjustments	As at 31.03.2014	As at 31.03.2013
<b>Tangible Assets :</b>								
<b>Own Assets :</b>								
Freehold Land	16,03,30,540	-	-	-	-	-	-	16,03,30,540
Leasehold Land	92,050	-	-	27,103	956	-	28,059	64,947
Buildings	12,89,01,350	-	-	2,37,17,691	21,01,060	-	2,58,18,751	10,51,83,659
Furniture and Fixtures	11,13,08,375	92,02,630	-	4,13,79,931	63,65,349	-	4,77,45,280	6,99,28,444
Computer	15,02,80,214	1,21,76,162	-	12,20,68,075	1,13,18,248	-	13,33,86,323	2,82,12,139
Office Equipment	4,90,04,416	44,67,573	1,24,200	2,43,81,714	21,88,932	39,709	2,65,30,937	2,46,22,702
Plant and Machinery	81,80,076	5,82,756	2,53,125	53,48,124	2,67,520	84,128	55,31,516	28,31,952
Truck	5,72,96,663	-	3,80,89,842	3,45,45,375	58,94,141	2,61,96,652	1,42,42,864	2,27,51,288
Vehicles	2,05,95,800	-	33,53,237	1,05,44,064	14,84,707	15,57,636	1,04,71,135	1,00,51,736
<b>Sub - Total</b>	<b>68,59,89,484</b>	<b>2,64,29,121</b>	<b>4,18,20,404</b>	<b>26,20,12,077</b>	<b>2,96,20,913</b>	<b>2,78,78,125</b>	<b>26,37,54,865</b>	<b>42,39,77,407</b>
<b>Leased Assets :</b>								
Buildings	1,34,70,000	-	-	1,75,047	2,19,561	-	3,94,608	1,32,94,953
Truck	7,39,51,512	-	-	1,69,83,016	1,17,96,300	-	2,87,79,316	5,69,68,496
Vehicles	1,75,92,679	47,85,525	-	55,63,272	19,01,810	-	74,65,082	1,20,29,407
<b>Sub - Total</b>	<b>10,50,14,191</b>	<b>47,85,525</b>	-	<b>2,27,21,335</b>	<b>1,39,17,671</b>	-	<b>3,66,39,006</b>	<b>8,22,92,856</b>
<b>Total ( A )</b>	<b>79,10,03,675</b>	<b>3,12,14,646</b>	<b>4,18,20,404</b>	<b>28,47,33,412</b>	<b>4,35,38,584</b>	<b>2,78,78,125</b>	<b>30,03,93,871</b>	<b>50,62,70,263</b>
<b>Intangible Assets :</b>								
Licence Software	2,14,02,201	6,08,975	-	1,88,74,689	13,58,111	-	2,02,32,800	25,27,512
<b>Total ( B )</b>	<b>2,14,02,201</b>	<b>6,08,975</b>	-	<b>1,88,74,689</b>	<b>13,58,111</b>	-	<b>2,02,32,800</b>	<b>25,27,512</b>
<b>Total ( A + B )</b>	<b>81,24,05,876</b>	<b>3,18,23,621</b>	<b>4,18,20,404</b>	<b>30,36,08,101</b>	<b>4,48,96,695</b>	<b>2,78,78,125</b>	<b>32,06,26,671</b>	<b>50,87,97,775</b>
Previous Year	75,53,39,796	8,10,52,110	2,39,86,030	27,29,05,167	4,93,09,157	1,86,06,223	30,36,08,101	50,87,97,775
<b>Capital Work-in-Progress</b>								<b>38,91,588</b>

## Notes on Financial Statements for the Year Ended 31st March, 2014

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

11.2 In respect of fixed assets acquired on finance lease on or after 1st April, 2001, the minimum lease rental outstanding as on 31st March, 2014 are as follows:

(Amt in Rs.)

Particulars	Total minimum lease payments outstanding As at 31st, March		Future interest on outstanding lease payments		Present value of minimum lease payments As at 31st, March	
	2014	2013	2014	2013	2014	2013
Within one year	2,58,43,305	3,75,67,958	21,00,425	51,07,496	2,37,42,880	3,24,60,462
Later than one year and not later than five years	84,54,742	3,61,64,731	4,12,406	23,31,467	80,42,336	3,38,33,264
<b>Total</b>	<b>3,42,98,047</b>	<b>7,37,32,689</b>	<b>25,12,831</b>	<b>74,38,963</b>	<b>3,17,85,216</b>	<b>6,62,93,726</b>

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

11.4 Computer software - Refer note No. 1(b)(v).

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>12 NON - CURRENT INVESTMENTS</b>		
( Long Term Investments )		
<b>Investments in Equity Shares</b>		
<b>Trade Quoted</b>		
1000 Blue Dart Express Ltd. of Rs.10/- each	66,000	66,000
(1000) fully paid up		
20 Gati Ltd. of Rs.2/- each fully paid up	1,013	1,013
(20)		
	67,013	67,013





## Notes on Financial Statements for the Year Ended 31st March, 2014

		As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>Non Trade Quoted</b>			
250 (250)	Pfizer Ltd. of Rs. 10/- each fully paid up	2,26,721	2,26,721
25500 (25500)	Hindustan Petroleum Corporation Ltd. of Rs.10/- each fully paid up	1,27,34,683	1,27,34,683
100 (100)	All Cargo Logistics Ltd. of Rs.2/- each fully paid up	16,993	16,993
20 (20)	Transport Corporation of India Ltd. of Rs.2/- each fully paid up	1,495	1,495
700 (700)	Ganesh Benzo Plast Ltd of Rs.10/- each fully paid up	17,850	17,850
50 (50)	Ganesh Anhydride Ltd. of Rs.10/- each fully paid up	500	500
16200 (16200)	UTI Mastershares of Rs.10/- each fully paid up	1,96,166	1,96,166
2500 (2500)	Power Grid Corporation of India Ltd. of Rs.10/- each fully paid up	3,84,775	3,84,775
165000 (165000)	Wallstreet Finance Ltd. of Rs.10/- each fully paid up	34,10,000	34,10,000
		1,69,89,183	1,69,89,183
<b>Non Trade Unquoted</b>			
5000 (5000)	Shamrao Vithal Co-op Bank Ltd. of Rs. 25/- each fully paid up	1,25,000	1,25,000
50 (50)	NKGSB Co-op Bank Ltd of Rs.10/- each fully paid up	500	500
910 (910)	Shri Ambuja Petrochemicals Ltd of Rs.10/- each fully paid up	9,100	9,100
5 (5)	The Memon Co-op. Bank Ltd of Rs.10/- each fully paid up	50	50
5 (5)	The Natasha Co-op. Housing Society Ltd. of Rs. 50/- each fully paid up	250	250
		1,34,900	1,34,900
<b>Investments in Preference Shares - Unquoted</b>			
250 (250)	Cumulative Redeemable Preference Share of Sree Rayalaseema Alkalies and Allied Chemicals Ltd Rs. 10/- each - fully paid up	2,500	2,500
		2,500	2,500
<b>Investments in Debentures - Unquoted</b>			
40 (40)	Non Convertible Debenture of Ganesh Benzo Plast Ltd of Rs.75/- each fully paid up	3,000	3,000
		3,000	3,000
	<b>TOTAL</b>	<b>1,71,96,596</b>	<b>1,71,96,596</b>

## Notes on Financial Statements for the Year Ended 31st March, 2014

### Note

	Aggregate book value of quoted investments	1,70,56,196	1,70,56,196
	Aggregate market value of quoted investments	1,45,18,295	1,22,89,921
	Aggregate book value of unquoted investments	1,40,400	1,40,400
		<b>As at</b>	<b>As at</b>
		<b>31.03.2014</b>	<b>31.03.2013</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>13</b>	<b>LONG - TERM LOANS AND ADVANCES</b>		
	( Unsecured Considered Good )		
	<b>Property Deposit</b>		
	Related Party	1,00,00,000	1,10,00,000
	Others	<u>3,29,61,713</u>	<u>3,54,37,167</u>
		4,29,61,713	4,64,37,167
	Earnest Money Deposit	7,03,197	6,84,467
	Other Deposits	34,47,377	1,11,09,496
	Other Loans and Advances ( Refer Note No. 31 )	3,11,26,416	3,10,97,294
	<b>TOTAL</b>	<u><b>7,82,38,703</b></u>	<u><b>8,93,28,424</b></u>
		<b>As at</b>	<b>As at</b>
		<b>31.03.2014</b>	<b>31.03.2013</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>14</b>	<b>TRADE RECEIVABLE</b>		
	<b>Secured Considered Good</b>		
	Over six months	1,27,19,130	2,73,40,158
	Others	28,55,48,752	28,91,49,175
	<b>Unsecured Considered Good</b>		
	Over six months	3,65,26,544	3,00,95,229
	Others	53,01,82,178	56,96,53,501
	<b>TOTAL</b>	<u><b>86,49,76,604</b></u>	<u><b>91,62,38,063</b></u>



## Notes on Financial Statements for the Year Ended 31st March, 2014

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>15 CASH AND CASH EQUIVALENTS</b>		
Balance with Banks		
In Current Accounts	7,28,60,229	10,01,11,838
In Dividend Account for Unclaimed Dividend	40,83,880	40,63,155
Cash on Hand	1,37,39,851	1,55,62,726
Cheque in Transit	1,05,10,522	2,13,80,986
Other Bank Balances		
In Fixed Deposits	2,66,88,069	8,33,948
In Fixed Deposits (as margin money against bank guarantees, LC's and others)	3,08,46,514	2,44,38,839
In Fixed Deposits (as earmarked against public deposits)	74,24,611	60,15,753
<b>TOTAL</b>	<b>16,61,53,676</b>	<b>17,24,07,245</b>

\* Fixed deposits with bank includes deposits of Rs. 51,34,334/- ( Previous Year Rs. 1,72,84,993/-) with maturity of more than 12 months.

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>16 SHORT - TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Prepaid Expenses	78,51,028	64,90,058
Staff Advances	49,81,039	72,59,296
Inter Corporate Deposit ( Including interest thereon Rs. Nil [ Previous Year Rs. 3,67,458/- ] )	-	1,38,67,458
Advance Income Tax	20,57,31,407	17,77,20,112
Others*	8,14,81,022	5,10,93,375
<b>TOTAL</b>	<b>30,00,44,496</b>	<b>25,64,30,299</b>

\* Includes interest receivable, cenvat receivable, claim receivable, agent receivable and octroi advance.

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>17 OTHER CURRENT ASSETS</b>		
Interest accrued on Bank Deposits	55,00,819	33,95,876
<b>TOTAL</b>	<b>55,00,819</b>	<b>33,95,876</b>

## Notes on Financial Statements for the Year Ended 31st March, 2014

	For the year 2013-14 Rupees	For the year 2012-13 Rupees
<b>18 REVENUE FROM OPERATIONS</b>		
<b>Sale of Services</b>		
Freight	1,80,36,22,987	1,84,49,28,235
Co Loading and Cargo Income	3,07,77,93,285	3,25,36,54,773
Commission against Cargo freight charges	57,65,75,703	69,56,26,571
<b>TOTAL</b>	<b><u>5,45,79,91,975</u></b>	<b><u>5,79,42,09,579</u></b>
	For the year 2013-14 Rupees	For the year 2012-13 Rupees
<b>19 OTHER INCOME</b>		
Interest Income	59,65,962	51,93,747
Dividend Income	4,79,058	4,41,653
Other Non Operating Income	22,23,443	36,07,965
<b>TOTAL</b>	<b><u>86,68,463</u></b>	<b><u>92,43,365</u></b>
	For the year 2013-14 Rupees	For the year 2012-13 Rupees
<b>20 OPERATING COST</b>		
Truck hire charges	1,10,91,42,807	1,13,23,59,135
Truck operational expenses	11,64,85,699	11,83,17,816
Truck repairs and maintainance expenses	1,00,92,708	1,76,75,262
Diesel, oil and grease	9,13,99,758	9,53,08,661
Taxes and permits	12,80,340	21,55,442
Sundry airport expenses	1,38,44,808	1,76,87,067
Line haul transportation expenses	5,39,40,854	5,34,20,337
Cargo freight charges	3,09,85,89,300	3,36,07,83,349
Handling charges	18,92,16,389	17,82,42,743
Packing materials expenses	36,25,318	89,36,970
Miscellaneous operating expenses	8,04,51,388	8,68,19,575
Insurance	23,20,349	20,56,502
Agency commission	4,72,41,022	5,37,85,714
Claims for loss of goods (net of recoveries)	44,85,160	76,30,643
<b>TOTAL</b>	<b><u>4,82,21,15,900</u></b>	<b><u>5,13,51,79,216</u></b>



## Notes on Financial Statements for the Year Ended 31st March, 2014

	For the year 2013-14 Rupees	For the year 2012-13 Rupees
<b>21 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	22,14,92,482	22,15,04,128
Contribution to Provident and Other Funds	2,45,61,441	2,47,09,235
Staff Welfare Expenses	1,61,24,300	1,76,39,510
<b>TOTAL</b>	<b><u>26,21,78,223</u></b>	<b><u>26,38,52,873</u></b>
<b>21.1</b> Defined obligations - Disclosures as per Accounting Standard 15 ( Revised ) are as under,		
<b>Gratuity</b>	<b>2013 - 14 Rupees</b>	<b>2012 - 13 Rupees</b>
<b>(A) Reconciliation of changes in present value of obligations</b>		
At the beginning of the year	5,57,03,424	4,99,25,867
Current service cost	47,62,921	40,61,774
Interest Cost	44,56,274	39,94,069
Actuarial ( Gain ) / Loss	16,82,230	36,28,440
Benefits paid	(93,71,123)	(59,06,726)
At the closing of the year	5,72,33,726	5,57,03,424
<b>(B) Reconciliation of changes in fair value of plan assets</b>		
At the beginning of the year	3,43,37,552	3,27,67,858
Expected return on plan assets	26,54,393	28,81,031
Contributions	48,23,648	45,95,389
Benefits paid	(93,71,123)	(59,06,726)
Actuarial ( Gain ) / Loss	-	-
At the closing of the year	3,24,44,470	3,43,37,552
<b>(C) Reconciliation of fair value of plan assets</b>		
At the beginning of the year	3,43,37,552	3,27,67,858
Actual return on plan assets	26,54,393	28,81,031
Contributions	48,23,648	45,95,389
Benefits paid	(93,71,123)	(59,06,726)
At the closing of the year	3,24,44,470	3,43,37,552
Funded Status	(2,47,89,256)	(2,13,65,872)
Excess of actual over estimated return on plan assets ( Actual rate of return = Estimated rate of return as ARD falls on 31st March )	-	-
<b>(D) Actuarial Gain / Loss recognized</b>		
Actuarial ( gain ) / loss on obligations	(16,82,230)	(36,28,440)
Actuarial ( gain ) / loss for the year - Plan Assets	-	-
Actuarial ( gain ) / loss on obligations	16,82,230	36,28,440
Actuarial ( gain ) / loss recognized in the year	16,82,230	36,28,440
<b>(E) The amount to be recognized in the Balance Sheet and Statement of Profit and Loss</b>		
Present value of obligations as at the end of year	5,72,33,726	5,57,03,424
Fair value of plan assets as at the end of year	3,24,44,470	3,43,37,552
Funded Status	(2,47,89,256)	(2,13,65,872)
Net assets / ( liability ) recognized in Balance Sheet	(2,47,89,256)	(2,13,65,872)

## Notes on Financial Statements for the Year Ended 31st March, 2014

	2013 - 14 Rupees	2012 - 13 Rupees
<b>(F) Expenses recognised in statement of Profit and Loss</b>		
Current Service Cost	47,62,921	40,61,774
Interest Cost	44,56,274	39,94,069
Expected return on plan assets	(26,54,393)	(28,81,031)
Net Actuarial ( gain ) / loss recognised in the year	16,82,230	36,28,440
Expenses recognised in Statement of Profit and Loss	82,47,032	88,03,252
	<b>For the year 2013-14 Rupees</b>	<b>For the year 2012-13 Rupees</b>
<b>22 FINANCE COSTS</b>		
Interest Expense	8,57,43,305	8,83,56,017
Other Borrowing Costs	57,73,811	35,38,239
<b>TOTAL</b>	<b>9,15,17,116</b>	<b>9,18,94,256</b>
	<b>For the year 2013-14 Rupees</b>	<b>For the year 2012-13 Rupees</b>
<b>23 OTHER EXPENSES</b>		
Electricity Charges	1,16,54,294	98,05,603
Rent	4,92,85,638	4,81,62,598
Repair to buildings	18,84,024	2,22,030
Insurance	19,55,162	23,37,381
Printing and stationery	90,38,004	1,44,17,484
Postage and telegram, internet charges	58,26,941	63,72,691
Conveyance and travelling	1,94,28,861	2,25,77,326
Telephone and telex	1,22,32,578	1,29,77,296
Rate and taxes	30,17,777	17,55,868
Legal and professional fees	1,63,40,328	1,58,15,378
Auditors' remuneration	12,65,000	11,50,000
Advertisement, publicity and business promotion	71,48,174	1,78,52,743
Directors' sitting fees	3,50,000	3,49,776
Miscellaneous expenses	7,55,64,464	6,74,06,460
Bad debts written off	91,01,626	-
Less : Transfer from Contingency Reserve	(91,01,626)	-
Loss on sale of assets ( Net )	72,878	18,36,307
Loss on Sale of Investments	-	16,60,647
<b>TOTAL</b>	<b>21,50,64,123</b>	<b>22,46,99,588</b>
	<b>2013-14</b>	<b>2012-13</b>
<b>24 EARNINGS PER SHARE (EPS)</b>		
<b>A) Calculation of Weighted Average Number of Equity Share of Rs. 10 each</b>		
i) Number of shares at the beginning of the year	1,51,86,612	1,51,86,612
ii) Total number of Shares outstanding at the end of the year.	1,51,86,612	1,51,86,612
iii) Weighted Average Number of Equity Shares outstanding during the year	1,51,86,612	1,51,86,612
<b>B) Net Profit After Tax</b>	2,34,89,808	2,41,27,949
<b>C) Basic and Diluted Earning per share ( in Rupees )</b>	1.55	1.59
<b>D) Nominal Value of Shares</b>	10.00	10.00



## Notes on Financial Statements for the Year Ended 31st March, 2014

### 25 Payment to Auditors :

Particulars	For the Year 2013 - 14 Rupees	For the Year 2012 - 13 Rupees
Audit Fees	9,55,060*	8,98,880*
Tax Audit Fees	1,96,630*	1,68,540*
Certification Fees including Limited Review	2,24,720*	1,96,630*
Out of Pocket Expenses	44,944*	28,090*
<b>Total</b>	<b>14,21,354</b>	<b>12,92,140</b>

\* includes service tax and education cess of Rs.1,56,354 /- (Previous Year Rs. 1,42,140/-).

### 26 Earnings and Expenditure in Foreign Currency :

Particulars	For the Year 2013 - 14 Rupees	For the Year 2012 - 13 Rupees
<b>Earnings in Foreign Currency :</b>		
Air Freight Billing and Other expenses (Net)	13,18,136	6,29,651
<b>Total</b>	<b>13,18,136</b>	<b>6,29,651</b>
<b>Expenditure in Foreign Currency :</b>		
Membership and Subscription Fees	40,296	16,254
Travelling	4,16,792	6,45,669
<b>Total</b>	<b>4,57,088</b>	<b>6,61,923</b>

### 27 Contingent Liabilities

- i. Estimated amount of contracts remaining to be executed on capital account and not provided for as on 31st March, 2014 Rs.10,02,420/- (Previous Year Rs. 11,02,420/-).
- ii. Counter guarantees given to Banks, A S Patel Trust and to Mr. Areef Patel, Executive Vice Chairman for guarantees provided by them against credit facilities Rs. 67,84,98,925/- (Previous Year Rs. 67,89,21,924/-).
- iii. Claims against the Company not acknowledged as debts Rs. 76,10,000/- (Previous Year Rs. 81,20,000/-).

**28** Sundry Debtors against whom the Company has filed the legal suits for recovery are being reviewed by the legal department on year-to-year basis. The Company is hopeful of recovery of these amounts. Accordingly no provision has been made for any loss, which may occur on this account.

**29** Classification of debtors as secured and debtors / loans and advances as unsecured considered good are as evaluated and certified by the management, which has been relied upon by the auditors.

**30** Balances of sundry debtors, sundry creditors and certain loans and advances are subject to confirmation / reconciliation and adjustments, if any in respect thereof.

**31** Other Loans and Advances under Long Term Loans & Advances includes Inter Corporate Deposits aggregating to Rs.2,94,27,000 /- (Previous Year Rs. 2,94,27,000/-) due from certain companies. Having regards to the long-term association with these companies, the management is of the view that no provision is considered necessary on these accounts.

**32** Trade Receivable outstanding in Company Books for Franchisee locations are collected by the Company, as agent on behalf of the Franchisee.

## Notes on Financial Statements for the Year Ended 31st March, 2014

### 33 Segment Reporting –

(Amt. in Rs.)

Segment	Surface Transportation	Co-Loading of Courier	Consolidation of Cargo	Total
<b>Segment Revenue</b>				
External Sales	1,80,36,22,987 (1,84,49,28,235)	21,53,21,816 (29,05,78,982)	3,43,90,47,172 (3,65,87,02,362)	5,45,79,91,975 (5,79,42,09,579)
Inter - Segment Sales				
<b>Total Revenue</b>	1,80,36,22,987 (1,84,49,28,235)	21,53,21,816 (29,05,78,982)	3,43,90,47,172 (3,65,87,02,362)	5,45,79,91,975 (5,79,42,09,579)
<b>Segment Result</b>	14,63,23,662 (14,54,71,685)	2,15,80,728 (2,21,51,493)	12,89,88,795 (15,71,52,674)	29,68,93,185 (32,47,75,852)
Unallocated corporate expenses				18,31,56,151 (20,36,07,107)
Operating Profits				11,37,37,034 (12,11,68,745)
Interest expenses				9,15,17,116 (9,18,94,256)
Interest / dividend income				64,45,020 (56,35,400)
Other Income				22,23,443 (36,07,965)
<b>Net Profit</b>				<b>3,08,88,381</b> <b>(3,85,17,854)</b>
<b>Other Information</b>				
Segment assets	85,95,07,874 (89,14,11,452)	8,06,18,044 (6,68,82,085)	71,99,80,186 (78,24,05,425)	1,66,01,06,104 (1,74,06,98,962)
Unallocated corporate assets				25,77,78,800 (22,69,86,904)
<b>Total Assets</b>	85,95,07,874 (89,14,11,452)	8,06,18,044 (6,68,82,085)	71,99,80,186 (78,24,05,425)	<b>1,91,78,84,904</b> <b>(1,96,76,85,866)</b>
Segment Liabilities	43,15,61,823 (46,04,10,856)	1,37,00,085 (1,08,44,474)	40,59,26,342 (44,12,45,375)	85,11,88,250 (91,25,00,705)
Unallocated corporate liabilities				1,06,66,96,654 (1,05,51,85,161)
<b>Total Liabilities</b>	43,15,61,823 (46,04,10,856)	1,37,00,085 (1,08,44,474)	40,59,26,342 (44,12,45,375)	<b>1,91,78,84,904</b> <b>(1,96,76,85,866)</b>
Capital Expenditure	1,27,84,465 (4,74,68,185)	15,435 (39,126)	1,90,23,721 (1,94,99,804)	3,18,23,621 (6,70,07,115)
Unallocated corporate capital expenditure				-- (1,40,44,995)
<b>Total Capital expenditure</b>	1,27,84,465 (4,74,68,185)	15,435 (39,126)	1,90,23,721 (1,94,99,804)	<b>3,18,23,621</b> <b>(8,10,52,110)</b>
Depreciation and amortization	2,64,15,656 (2,98,91,950)	6,27,075 (7,87,395)	1,65,68,577 (1,60,37,437)	4,36,11,308 (4,67,16,782)
Unallocated depreciation and amortisation				12,85,387 (25,92,375)
<b>Total depreciation and amortization</b>	2,64,15,656 (2,98,91,950)	6,27,075 (7,87,395)	1,65,68,577 (1,60,37,437)	<b>4,48,96,695</b> <b>(4,93,09,157)</b>





## Notes on Financial Statements for the Year Ended 31st March, 2014

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

(Amt in Rs.)

Particulars	Claims for Damages (legal or otherwise)
<b>Opening Balance</b>	<b>6,98,72,564</b>
Additions	44,85,160
Utilizations and Reversals	1,48,32,072
<b>Closing Balance</b>	<b>5,95,25,652</b>

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

**35 Related party disclosures : -**

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

- A) Individuals owning directly or indirectly an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise and relative of such individual (Clause 3(c) of AS 18).

Mr. Asgar S. Patel and his relatives within the meaning of section 6 read with Schedule IA of the Companies Act, 1956.

- B) Key Management Personnel and relatives of such personnel ( Clause 3(d) of AS 18)

Mr. Areef Patel and his relatives within the meaning of section 6 read with Schedule IA of the Companies Act, 1956.

- C) Enterprises over which any person described in (A) or (B) is able to exercise significant influence (Clause 3(e) of AS 18)

- a) Wall Street Securities & Investment (India) Ltd.
- b) Transways Combines Pvt. Ltd.
- c) Patel Real Estate Developers Pvt. Ltd.
- d) One Capitall Ltd.
- e) Patel Holdings Ltd.
- f) Wall Street Derivatives and Financial Services (India) Pvt. Ltd.
- g) Natasha Constructions Pvt. Ltd.
- h) Natasha Homes Pvt. Ltd.
- i) Natasha Construction Projects Pvt. Ltd.
- j) A. S. Patel Trust
- k) Goldman (Patel Family) Beneficiaries Trust

## Notes on Financial Statements for the Year Ended 31st March, 2014

Sr. No.	Particulars	A		B		C	
		13-14	12-13	13-14	12-13	13-14	12-13
1	Rent Paid	69,000	72,000	--	--	--	--
2	Remuneration Paid	--	--	44,15,476	42,65,858	--	--
3	Reimbursement of Expenses (Paid)	15,530	14,917	--	--	1,69,165	3,75,460
4	Reimbursement of Expenses (Received)	--	--	--	--	13,86,760	44,89,101
5	Inter Corporate Deposit Repaid	--	--	--	--	2,46,00,000	61,00,000
6	Inter Corporate Deposits Taken	--	--	--	--	1,31,00,000	1,15,00,000
7	Interest on ICD Paid	--	--	--	--	3,85,427	4,85,677
8	Property Deposit Received Back	10,00,000	10,00,000	--	--	--	--
9	Property Deposit Paid	--	10,00,000	--	--	--	--
10	Advance Given	--	--	--	--	91,07,500	--
11	Advance Given Received Back	--	--	--	--	91,07,500	--
	<b>Balance as at</b>						
12	Inter Corporate Deposits Taken						
	One Capitall Ltd.	--	--	--	--	--	1,17,94,313
13	Properties Deposit Given						
	Yasmin A Patel	--	10,00,000	--	--	--	--
	A S Patel Trust	--	--	--	--	1,00,00,000	1,00,00,000

### NOTES :

- i. Mr. Areef Patel, Executive Vice Chairman has given his personal guarantee in favour of Banks against working capital facilities to the extent of Rs. 51,84,00,000/- sanctioned to the Company, for which no monetary benefit has accrued to him.
- ii. There are no provisions for doubtful debts or amounts written off or written back during the year for debts due from or to related parties.
- 36** In the opinion of the Board, current assets, loans and advances have a value of at least equal to the amounts shown in the Balance Sheet, if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary. There are no contingent liabilities other than those stated in Note No. 27.
- 37** Previous year's figures are regrouped/restated wherever required.

As per our report of even date  
For **M S P & Co.**  
Chartered Accountants  
( Registration No. 107565W )

For and on behalf of the Board,

**M. S. PARIKH**  
Partner  
Membership No. 08684  
Mumbai,  
Dated : 28th May, 2014

**AREEF A. PATEL**  
Executive Vice Chairman

**SANDEEP P. PARIKH**  
Director

**NITIN B. AKOLKAR**  
Company Secretary

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

**FARUKH S. WADIA**  
Director

**SYED K. HUSAIN**  
Director

**DEEPAK M. KENI**  
GM - Accounts ( Head of Finance )





**CIN:L71110MH1962PLC012396**

**Regd. Office:Patel House, 5<sup>th</sup> Floor, Plot No.48, Gazdar Bandh, North Avenue Road, Santacruz (W.), Mumbai-400054**

Tel No.:022-26050021, 26052915, Fax No.:022-26052554, Website: www.patel-india.com

**BALLOT FORM**

1) Name and Registered Address of the :  
Sole/First named shareholder

2) Name (s) of the Joint Shareholder (s), :  
if any

3) Registered Folio No./DP ID No./ :  
Client ID No.

4) Number of Shares Held :

I/We hereby exercise my/our vote in respect of the Resolutions to be passed for the business stated in the Notice of 52<sup>nd</sup> Annual General Meeting of the Company dated 4<sup>th</sup> July, 2014 by conveying my/our assent or dissent to the said Resolution(s) by placing a tick (✓) mark in the appropriate box below:

Sr. No.	Description	No. of Shares held	OPTION (Please put (✓) in appropriate box below)	
			I/We assent (agree) to the Resolution	I/We dissent (disagree) to the Resolution
1.	Adoption of Financial statements for the year ended 31 <sup>st</sup> March 2014 and the Directors' and Auditors' Reports thereon			
2.	To declare dividend on equity shares.			
3.	Re-appointment of Mr. Asgar S. Patel, as Director who retires by rotation.			
4.	Appointment of M/s MSP & Co., Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration.			
5.	Appointment of Mr. P.S.G. Nair as an Independent Director.			
6.	Appointment of Mr. Sandeep P. Parikh as an Independent Director.			
7.	Appointment of Mr. Farukh S. Wadia as an Independent Director.			

Place :

Date : \_\_\_\_\_, 2014

\_\_\_\_\_  
(Signature of the Shareholder)

Note: Please read the instructions printed overleaf carefully before exercising your vote.

(P.T.O.)

INSTRUCTIONS:

1. **A Member desiring to exercise his/her vote by Ballot form should complete the Ballot Form in all respects and send it in a sealed envelope to the Scrutinizer Dinesh Kumar Deora, Practising Company Secretary, Unit: Patel Integrated Logistics Limited, C/o. Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072, so as to reach by 6.30 p.m. on 16<sup>th</sup> August 2014. Ballot Form received thereafter will strictly be treated as if not received.**
2. The Ballot Form should be completed and signed by the Member. (as per specimen signature registered with the Company).
3. In case, shares are jointly held, this form should be completed and signed by the first named Member/Shareholder and in his/her absence, by the next named member/shareholder.
4. In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified copy of the Board Resolution/Authority together with attested specimen signature(s) of the duly authorised signatory(ies), giving requisite authority to the person voting on the Ballot Form.
5. A Member/Shareholder may sign the form through an Attorney appointed specifically for this purpose, in which case an attested true copy of Power of Attorney should be attached to the Ballot Form.
6. The voting rights shall be reckoned in proportion to a Member's /Shareholder's share of the fully paid -up value of equity share capital of the Company as on 18<sup>th</sup> July 2014.
7. A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before sending the Ballot Form.
8. The right of voting by Ballot Form shall not be exercised by a proxy.
9. There will be only one Ballot Form for every folio irrespective of the number of Joint Member(s)/Shareholders(s).
10. Incomplete, unsigned, improperly or incorrectly tick (✓) marked Ballot Form will be rejected summarily.
11. The Scrutinizer's decision on the validity of the Postal Ballot Form shall be final.
12. In the event member casts his votes through both the processes i.e. e-voting and Ballot Form, then voting done by e-voting would be considered and the voting done through Ballot Form would be ignored.

\*\*\*\*\*



## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]  
Form No. MGT-11

CIN : L71110MH1962PLC012396  
 Name of the Company : PATEL INTEGRATED LOGISTICS LTD.  
 Registered office : Patel House, 5th Floor, Plot No.48, Gazdar Bandh, North Avenue Road, Santacruz (W.), Mumbai-400054  
 Name of the member (s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Folio No/ Client ID/DP ID : \_\_\_\_\_  
 I/We, being the Member(s) of \_\_\_\_\_ shares of Patel Integrated Logistics Limited hereby appoint,  
 1. Name : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing her/him;  
 2. Name : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing her/him;  
 2. Name : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 52nd Annual General Meeting of the Company, to be held on Thursday, August 21, 2014 at 11.00 a.m. at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049 and at any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Business:

- 1 Adoption of Financial statements for the year ended 31 March 2014 and the Directors' and Auditors' Reports thereon.
- 2 To declare dividend on equity shares.
- 3 Re-appointment of Mr. Asgar S. Patel, as Director who retires by rotation.
- 4 Appointment of M/s MSP & Co., Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration.

### Special Business:

5. Appointment of Mr. P.S.G. Nair as an Independent Director.
6. Appointment of Mr. Sandeep P. Parikh as an Independent Director.
7. Appointment of Mr. Farukh S. Wadia as an Independent Director.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Affix  
revenue  
stamp  
of Re. 1

\_\_\_\_\_  
Signature of Proxy holder(s)

\_\_\_\_\_  
Signature of shareholder

### Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





CIN:L71110MH1962PLC012396

Regd. Office:Patel House, 5<sup>th</sup> Floor, Plot No.48, Gazdar Bandh, North Avenue Road, Santacruz (W.), Mumbai-400054

Tel No.:022-26050021, 26052915, Fax No.:022-26052554, Website: www.patel-india.com

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the **52<sup>nd</sup> Annual General Meeting** of the Company on Thursday, August 21, 2014 at 11.00 a.m. at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai -400 049.

For Physical Holding	For Electronic Form (Demat) NSDL/CDSL	No of Shares Held
LF No.:	DP ID & CLIENT ID:	
Name of the Member (in Block Capitals)		
Name of the Proxy (in Block Capitals)		

\_\_\_\_\_  
Signature of the Member / Proxy

NOTES:

1. Only members/proxies and representatives are allowed to attend the Meeting.
2. Members are requested to bring their copy of the Annual Report with them to the Meeting as additional copies of the same will not made available at the Meeting.



