

**A**

**N**

**N**

**U**

**A**

**L**



**R**

**E**

**P**

**O**

**R**

**T**

**ANNUAL REPORT  
2010-2011**

**CHAIRMAN** SHRI ANAND KUMAR AGARWAL

**DIRECTORS** SHRI K. ARYA  
DR. DEBASIS SENGUPTA  
SHRI ASHOKE K. DUTTA  
DR. ASHOK AGARWAL  
SHRI VIJAY KUMAR JAIN  
DR. PADAM CHAND AGARWAL  
SHRI ASHOK SURANA

**MANAGING DIRECTOR** SHRI ASHISH AGARWAL

**SECRETARY** SHRI A. K. THIRANI

**AUDITORS** M/S. AGARWAL KEJRIWAL & CO.  
*Chartered Accountants*

**BANKERS** UCO BANK  
UNITED BANK OF INDIA  
INDIAN OVERSEAS BANK  
HDFC BANK LTD  
STATE BANK OF INDIA

**REGISTERED OFFICE** KEDAR ROAD  
GUWAHATI - 781 001

## **CONTENTS**

---

Notice	2	Directors' Report	9	Corporate Governance Report	13
Auditors' Certificate on Corporate Governance	21	Management Discussion & Analysis	22		
Auditors' Report	23	Balance Sheet	26	Profit & Loss Account	27
Cash Flow Statement	28	Schedules to the Balance Sheet and Profit & Loss Account	30		
Balance Sheet Abstract and Company's General Business Profile	48				

## **ABC INDIA LIMITED**

---

### **NOTICE**

NOTICE is hereby given that the 38th Annual General Meeting of the Members of **ABC India Limited** will be held on Saturday the 24th day of September, 2011 at Vishwaratna Hotel, Onkar Plaza, A. T. Road, Guwahati – 781001, Assam at 1:00 PM to transact the following business :

#### **Ordinary Business :**

1. To receive, consider and adopt the Accounts of the Company for the financial year ended 31st March, 2011, the Balance Sheet ,Profit and Loss Account at that date and the Reports of the Directors and Auditors thereon.
2. To sanction declaration of dividend.
3. To appoint a Director in place of Shri Vijay Kumar Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. Padam Chand Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Ashok Surana , who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors of the Company and to fix their remuneration.

For this purpose to consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution :

**“RESOLVED** that Messers. Agarwal Kejriwal & Company, Chartered Accountants, be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of the 38th Annual General Meeting to the conclusion of the 39th Annual General Meeting.

**FURTHER RESOLVED** that subject to approval of the Audit Committee, Sri A. K. Agarwal, Chairman is hereby authorised to fix the remuneration of the Auditors”.

#### **Special Business :**

**7. To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :**

**“RESOLVED** that pursuant to the provisions of section 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, and subject to approval by the Central Government, as approved by the Remuneration Committee consent of the company be and is hereby accorded that the terms and conditions relating to remuneration of appointment of Shri Anand Kumar Agarwal, Chairman be modified and varied w.e.f. 01.09.2011 for the remaining tenure of his existing appointment ending on 31.05.2013 as follows :

- a. Salary : Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per month with annual increment @ Rs.50,000/- per month effective from 1st day of April each year.
- b. Perquisites : In addition to salary, he shall be entitled to perquisites, which shall be valued as per the provisions of the Income Tax Act, 1961, and which unless the context otherwise requires, are classified into two categories A & B as follows :
  - A. (i) Housing : Monthly House Rent Allowance @ 50% of Salary or Rent Free Accommodation in lieu thereof.
  - (ii) Provision of Electricity at residential accommodation.
  - (iii) Reimbursement of Medical expenses incurred for self and family subject to a maximum of Rs.75,000/- (Rupees Seventy Five Thousand only) per year.
  - (iv) Reimbursement of the cost of Individual Mediciam Policy for self and family subject to a maximum of Rs.25,000/- (Rupees Twenty Five Thousand only) per year.

- (v) Reimbursement of the cost of overseas health & related insurance subject to a maximum of Rs. 10,000/- (Rupees Ten Thousand only) per year.
- (vi) Cost of Personal Accident Insurance subject to a maximum of Rs.30,000/- (Rupees Thirty Thousand only) per year.
- (vii) Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.
- (viii) Provision of Car with driver for use on Company's business.
- B. (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service payable at the end of his tenure, and
- (iii) Encashment of leave at the end of tenure.

**General terms and conditions :**

- i. The office of the Chairman may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.
- ii. The terms and conditions set out for appointment and payment of remuneration herein may be altered and varied by the Board, as it may, from time to time, deem fit.

**Overall Remuneration :**

Above remuneration shall be subject to an overall limit of 5% of the net profits individually, and 10% of the net profits collectively to all the Managerial Personnel, as calculated in accordance with Section 198 and 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII thereto, as may for the time being in force.

**Minimum Remuneration :**

Where in any financial year during the currency of tenure of Shri Anand Kumar Agarwal, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites and other allowances as above in terms of Paragraph 1 (C) of Part II of Schedule XIII to the Companies Act, 1956.

**8. To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution :**

**RESOLVED** that pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII thereto and other applicable provisions, if any, of the Companies Act, 1956, and subject to approval by the Central Government as approved by the Remuneration Committee consent of the Company be and is hereby accorded for re-appointment of Shri Ashish Agarwal, as Managing Director w.e.f. 1st August, 2011 for a period of 3 years on the terms and condition given below :

- a. Salary : Rs.2,00,000/- (Rupees Two Lakhs only) per month with annual increment @ Rs.50,000/- per month effective from 1st day of April each year.
- b. Perquisites : In addition to salary, he shall be entitled to perquisites, which shall be valued as per the provisions of the Income Tax Act, 1961, and which unless the context otherwise requires, are classified into two categories A & B as follows :
  - A. (i) Housing : Monthly House Rent Allowance @ 50% of Salary or Rent Free Accommodation in lieu thereof.
  - (ii) Provision of Electricity at the residential accommodation.
  - (iii) Reimbursement of Medical expenses incurred for self and family subject to a maximum of Rs.15,000/- (Rupees Fifteen Thousand only) per year.

## **ABC INDIA LIMITED**

---

- (iv) Reimbursement of the cost of Individual Mediciclaim Policy for self and family subject to a maximum of Rs.10,000/- (Rupees Ten Thousand only) per year.
  - (v) Reimbursement of Cost of overseas health & related insurance subject to a maximum of Rs.10,000/- (Rupees Ten Thousand only) per year.
  - (vi) Reimbursement of the cost of Personal Accident Insurance subject to a maximum of Rs.24,000/- (Rupees Twenty Four Thousand only) per year.
  - (vii) Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.
  - (viii) Provision of car with driver for use on Company's business.
- B. (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and,
- (iii) Encashment of leave at the end of tenure.

### **General terms and conditions :**

The office of the Managing Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

The terms and conditions set out for appointment and payment of remuneration herein may be altered and varied by the Board, as it may, from time to time, deem fit.

### **Overall Remuneration :**

Above remuneration shall be subject to an overall limit of 5% of the net profits individually, and 10% of the net profits collectively to all the Managerial Personnel, as calculated in accordance with Section 198 and 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII thereto, as may for the time being in force.

### **Minimum Remuneration :**

Where in any financial year during the currency of tenure of Shri Ashish Agarwal, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites and other allowances as above in terms of Paragraph 1 (C) of Part II of Schedule XIII to the Companies Act, 1956.

Kolkata  
the 9th day of August, 2011

By order of the Board  
**A. K. Thirani**  
Company Secretary

### **NOTES :**

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b. An explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 relating to special business to be transacted at the meeting is appended hereto.
- c. Re-appointment of Directors :

At the ensuing Annual General Meeting, Shri Vijay Kumar Jain, Dr. Padam Chand Agarwal and Shri. Ashok Surana retires by rotation and being eligible offer himself for reappointment. The information or details pertaining to the

Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges are furnished in the Statement on Corporate Governance.

- d. The Company has already transferred all unclaimed dividends declared upto the financial year 1999-2000 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
- e. Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
- f. Consequent upon the introduction of Section 109A of the Companies Act, 1956, Shareholders are entitled to make nomination in respect of shares hold by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents M/s. MCS Limited, 77/2A Hazra Road, Kolkata - 700 029.
- g. The Register of Member and Transfer Books in respect of the Equity Shares of the Company will be closed from Monday, the 19th day of September, 2011 to Friday, the 23rd day of September, 2011, both days Inclusive for the purpose of Annual General Meeting and Dividend.
- h. Dividend, if declared at the meeting will be paid on or after 1st day of October, 2011 to those shareholders whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as at the closing of business hours on 16th day of September, 2011.
- i. Equity shares of the company are available for dematerialisation both with the National Securities Depository Limited and Central Depository Services India Ltd.
- j. Shareholders holding shares in dematerialised form would receive their dividend directly to the Bank account nominated by them to their Depository Participant as per SEBI directives.
- k. The Company has appointed M/s. MCS Ltd., 77/2A Hazra Road, Kolkata 700 029 as its Registrar and Transfer Agent. Members holding shares in physical form are requested to notify/send any changes in their address to its Registrar and Transfer Agent to facilitate better service.

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956 :**

**Item No. 7**

Shri Anand Kumar Agarwal is serving the Company as Chairman. His existing terms of remuneration are considered inadequate and the same are proposed to be modified and varied as set out in the proposed resolution which has been approved by the Remuneration Committee and require approval by the shareholders at a General Meeting by a Special Resolution and approval by Central Government. A statement giving information in terms of clause (iv) to Paragraph 1 (C) of Part II of the Schedule XIII to the Companies Act, 1956 is as follows :

**GENERAL INFORMATION :**

(1)	Nature of Industry	Multi-modal transportation services
(2)	Date of commencement of commercial production	1972-1973
(3)	In case of new companies, expected date of commencement of activities as per project approval by financial institutions appearing in the prospectus	Not applicable as an existing company.

**ABC INDIA LIMITED**

(4) Financial performance based on given indicators (Rs. in Lakhs)

Year ending 31st March	Turnover	Profit before Taxation & Depreciation	Profit before Taxation	Profit after Taxation
2011	20732	1268	848	553
2010	14677	409	169	108
2009	16364	834	606	426
2008	14010	475	284	170
2007	11174	341	161	133
(5)	Export Performance and net foreign exchange collaboration		Earning in foreign exchange in the Financial Year 2010-2011 Rs.53,72,084/-	
(6)	Foreign investments or collaboration, if any.		The Company has 24% interest in Nissin ABC Logistics Limited, a joint venture with Nissin Corporation, Japan.	

**INFORMATION ABOUT THE APPOINTEE :**

(1)	Background details	He has been with the Company since its incorporation. Qualified B.Com, and aged about 58 years, he has rich experience of over 39 years in the business of the Company.
(2)	Past Remuneration	Basic Salary of Rs.24,00,000/-, Rs.21,60,000/- and Rs.16,40,000/- and other perquisites as per his terms of appointment annually in Financial Year 2010-11, 2009-10 and 2008-09 respectively.
(3)	Recognition or awards	None in particular as recognised and awarded several times for specific achievements by the Company.
(4)	Job profile & his suitability	His Job profile shall include devoting whole time attention to the Management & Administration of the affairs of the Company and exercises powers subject to the superintendence, direction and control of the Board of Directors and Chairman. With Valuable contributions made by him to the company during his hitherto association with the company, he has been considered perfectly suitable for his job profile.
(5)	Remuneration proposed	Salary Rs.2,50,000/- per month and other perquisites as spelt out in the explanatory statement hereinabove.
(6)	Comparative remuneration profile with respect to industry, size of company, profile of the position and person.	The remuneration proposed is in consonance with respect to industry, size of company, profile of the position and the person.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Apart from salary and perquisites to be received from the Company, he has interest in the Company as promoter with substantial holdings. He is related to Shri Ashish Agarwal, Managing Director and Dr. Ashok Kumar Agarwal, Director

**OTHER INFORMATION :**

Reasons of loss or inadequate profits. Steps taken or proposed to be taken for improvement Expected increase in productivity and profits in measurable terms	There is profit in the Company at present, but as abundant caution, this information is being provided to the shareholders for payment of minimum remuneration to Shri Anand Kumar Agarwal, in case of no profit or inadequate profit in any financial year.
--	--

**DISCLOSURES:**

Remuneration package offered to Shri Anand Kumar Agarwal, Managing Director, is as per the above resolution.

Other disclosures in terms of clause IV (2) of paragraph 1-C of Section – II of Part II of schedule XIII to the Companies Act, 1956 are being provided in the Corporate Governance Report attached to the Board of Director's Report.

None of the Directors are concerned or interested in this resolution except Shri Anand Kumar Agarwal himself, Shri Ashish Kumar Agarwal, Managing Director and Dr. Ashok Kumar Agarwal who are related to each other.

**Item No. 8**

The present terms of appointment of Shri Ashish Agarwal as Managing Director expires on 31.07.2011. As his services are continuously required by the Company, it is proposed to reappoint him for another period 3 years. His reappointment and the terms and conditions thereof are as set out in the proposed resolution which have been approved by the Remuneration Committee and require approval by the shareholders at a General Meeting by a Special Resolution and approval by the Central Government. A statement giving information in terms of clause (iv) to Paragraph 1 (C) of Part II of the Schedule XIII to the Companies Act, 1956 is as follows :

**GENERAL INFORMATION**

(1) Nature of Industry	Multi-model transportation services
(2) Date of commencement of commercial production	1972-1973
(3) In case of new companies, expected date of commencement of activities as per project approval by financial institutions appearing in the prospectus	Not applicable as an existing company.

(4) Financial performance based on given indicators (Rs. in Lakhs)

Year ending 31st March	Turnover	Profit before Taxation & Depreciation	Profit before Taxation	Profit after Taxation
2011	20732	1268	848	553
2010	14677	409	169	108
2009	16364	834	606	426
2008	14010	475	284	170
2007	11174	341	161	133
(5)	Export Performance and net foreign exchange collaboration	Earning in foreign exchange in the Financial Year 2010-2011 Rs.53,72,084/-		
(6)	Foreign investments or collaboration, if any.	The Company has 24% interest in Nissin ABC Logistics Limited, a joint venture with Nissin Corporation, Japan.		

**INFORMATION ABOUT THE APPOINTEE:**

(1)	Background details	He is serving the Company for past 3 years as Managing Director. During this period he has gained rich experience in the Management and Administration of Company's business. He is a qualified B.A. (Economics) , and aged about 32years.
(2)	Past Remuneration	Basic Salary of Rs.17,40,000/- in Financial Year 2010-11 and Rs.14,40,000/- in Financial Year 2009-10 and other perquisites as per his terms of appointment as Managing Director
(3)	Recognition or awards	None in particular as recognised and awarded several times for specific achievements by the Company.



**ABC INDIA LIMITED**

(4) Job profile & his suitability	His job profile shall include devoting whole time attention to the Management & Administration of the affairs of the Company and exercises powers subject to the superintendence, direction and control of the Board of Directors and Chairman. With valuable contributions made by him to the Company during his hitherto association with the Company, he has been considered perfectly suitable for his job profile.
(5) Remuneration proposed	Salary Rs. 2,00,000/- per month and other perquisites as spelt out in the explanatory statement herein above.
(6) Comparative remuneration profile with respect to industry, size of company, profile of the position and person.	The remuneration proposed is in consonance with respect to industry, size of company, profile of the position and the person.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Apart from salary and perquisites to be received from the Company, he has interest in the Company as belonging to promoter group with substantial holdings. He is related to Shri Anand Kumar Agarwal, who is the Chairman of the Company and Dr. Ashok Kumar Agarwal, Director

**OTHER INFORMATION :**

Reasons of loss or inadequate profits. Steps taken or proposed to be taken for improvement Expected increase in productivity and profits in measurable terms	There is profit in the Company at present, but as abundant caution, this information is being provided to the shareholders for payment of minimum remuneration to Shri Ashish Agarwal, in case of no profit or inadequate profit in any financial year.
--	---

**DISCLOSURES :**

Remuneration package offered to Shri Ashish Agarwal, Managing Director, is as per the above resolution.

Other disclosure in terms of clause IV (2) of paragraph 1-C of Section II of Part-II of Schedule XIII to the Companies Act, 1956 are being provided in the Corporate Governance Report attached to the Board of Director's Report.

None of the Directors are concerned or interested in this resolution except Shri Ashish Agarwal himself, Shri Anand Kumar Agarwal, Chairman and Dr. Ashok Kumar Agarwal who are related to each other.

**DIRECTORS' REPORT**

The Directors have pleasure in presenting the 38th Annual Report of the Company together with Audited Accounts for the year ended 31st March 2011 :

	(Rs. in Lacs)	
<b>FINANCIAL RESULTS</b>	<b>As on 31.03.2011</b>	<b>Previous Year</b>
Turnover	20732	14677
Profit before Taxation and Depreciation	1268	410
Depreciation	420	241
(Net of depreciation on revalued assets transferred from Capital Reserve)	_____	_____
Profit before Taxation	848	169
Provision for Taxation	295	61
Profit after taxation	553	108
Add: Balance of Profit & Loss Account brought forward	884	865
	_____	973
Less : Tax adjustment for earlier year	4	28
Profit available for appropriation	1433	945
	_____	_____
<b>Appropriation :</b>		
Proposed Dividend	81	27
Tax on proposed dividend	14	4
Transfer to General Reserve	300	30
Balance carried forward to Balance Sheet	1038	884
	_____	_____

**SERVICES AND EARNINGS**

Company's total earnings including other income for the year amounted to Rs. 20732 lacs as compared with the previous year total earnings of Rs.14677 lacs.

**DIVIDEND**

The Directors recommend for your approval for payment of dividend @ Rs.1.50 per Equity Share of Rs.10/- each for the year ending 31.03.2011. (Previous year Rs.0.50 per Equity Share). The total amount of dividend (including Dividend Tax thereon) would amount to Rs. 95 lacs (Previous year 31 lacs).

**OUTLOOK**

During the year under review, the Company could materialise results from its improved capabilities and sustained marketing efforts for its activities in providing logistics solutions to its customers. There was good demand for Company's service in the year with growing industrialisation in North East India. The Company is continuously working towards reaping its business from ongoing as well as new projects in major infrastructure sector. However, performance of the company in current year and coming years shall largely depend on continuity of industrial projects, and successful completion of jobs in hand.

Project Cargo Division was successful in converting its strength into business. Petrol Pump segment has shown satisfactory performance. The Company expects to improve its performance in all segments in coming year.

**HUMAN RESOURCES**

The Company continued to train and develop its human resources to meet the challenges of growing quality perspective and logistic requirement of the customers. In view of increased competition, the human resources of the company are being geared up to deliver better quality and specialised services both to meet the competition and to satisfy customer requests..

**EMPLOYEES STOCK OPTION SCHEME, 2007**

Member's approval was obtained at the Annual General Meeting held on July 31, 2007 for introduction of Employees Stock Option Scheme.

## ABC INDIA LIMITED

Employees Stock Option Scheme was approved and implemented by the Company and Options were granted to employees in accordance with the Securities and Exchange Board of India ( Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999( 'the SEBI Guidelines). The Compensation Committee, constituted in accordance with the SEBI Guidelines, administers and monitors the Scheme.

The applicable disclosure as at March 31, 2011 stipulated under the SEBI Guidelines are given as follows :

a)	Options Granted (Including Re-Issue)	1,45,880	
b)	The Pricing Formula	For all option vesting on or before 1st November, 2008 exercise price was Rs. 50/- and for all options vesting after 1st November, 2008 the exercise price shall be Rs. 55/- for each share.	
c)	Options vested	1,09,830	
d)	Options exercised	14,790	
e)	The total number of shares arising as a result of exercise of Options	14,790	
f)	Options lapsed	68,730	
g)	Variation of the terms of Options	None	
h)	Money realized by exercise of Options	Rs.7,85,700/-	
i)	Total number of Options in force	62,360	
j)	Employee wise details of Options granted to		
	<b>1. Senior Management Personnel</b>		
	Mr. Binoy Krishna Dhar	3300	Mr. R.P.Shah 3600
	Mr. Sunder Gopal Das	910	Mr. Sushil Kumar Pransukhka 2460
	Mr. Ishwar Chandra Sharma	1080	Mr. Ved Prakash 1180
	Mr. V.Chatrapathi	880	Mr. Mihir Mani Tripathi 1280
	Mr. C.K.Ojha	1300	Mr. Arun Kumar Thirani 1160
	Mr. J.S.Jadav	390	Mr. Surendra Pd. Tiwari 510
	Mr. Parameshwar Lal Tamrayat	430	Mr. Ramesh Kr. Bansal 1030
	Mr. M.V.K.S.R. Sharma	310	Mr. Ram Nawal Yadav 670
	Mr. Raveender Kr. Sharma	960	Mr. T.Chakraborty 1000
	Mr. Kamal Kr. Makharia	1190	Mr. Avdresh Gautam 400
	Mr. Sanjay Agarwal	1020	
	2. Any other employee who received a grant in any one year of Options amounting to 5% or more of Options granted during that year.		Nil
	3. Identified employee who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.		Nil
k)	Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'		Rs. 10.17
l)	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits		The company has calculated the employee compensation cost using the intrinsic value of the stock option. The effect on the net income and earning per share, had the fair value method been adopted is described below :

and on EPS of the company shall also be disclosed.

<b>Net Income</b>	<b>Rs. In lakhs</b>
As reported	553
Add : Intrinsic value compensation cost	Nil
Less : Fair value compensation	29
Adjusted Net Income	<u>524</u>
Earning Per Share as reported	Rs. 10.17
As adjusted	Rs. 9.67
Weighted average price per option	Rs. 55.00
Weighted average fair value per option	Rs. 47.20

- m) Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.
- n) A description of the method and significant assumptions used during the year to estimate the fair values of options.

The fair value of options is estimated using the Black Scholes Option Pricing Model after applying the following key assumptions on weighted average basis

(1) Risk free interest rate	8.00%
(2) Expected life	1.88 years
(3) Expected volatility	30%
(4) Expected dividends	15%
(5) Price of the underlying share in market at the time of option grant	Rs.45.10/Rs.39.00

The Money realised by exercise of options has been utilised in the business of the Company especially for funding capital investments. A certificate from the Auditors in terms of Clause 14 SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, shall be placed before the shareholders at the ensuing Annual General Meeting.

#### **DIRECTORS**

Shri Vijay Kumar Jain, Shri. Padam Chand Agarwal and Shri Ashok Surana retire by rotation and being eligible, offer themselves for reappointment. Shri Prakash Agarwal has since resigned as a Director. The Board recommends varying the terms of appointment of Shri Anand Kumar Agarwal, Chairman for remaining tenure of his existing appointment and also recommends re-appointment of Shri Ashish Agarwal, Managing Director for a further period of 3 years.

#### **AUDITORS**

M/s. Agarwal Kejriwal & Co. Chartered Accountants, Statutory Auditor retires at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a Certificate from the auditors to the effect that their reappointment, if made, will be in accordance with the provisions of Section 224 (1B) of the Companies Act, 1956.

#### **PARTICULARS OF EMPLOYEES**

None of the employees of the Company were in receipt of remuneration exceeding limits prescribed under section 217(2 A) of the Companies Act, 1956.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 with respect to the Director's Responsibility Statement, it is hereby confirmed :

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures :
- that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period :
- that 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 :

(iv) that the directors have prepared the annual accounts on a going concern basis :

**PUBLIC DEPOSITS**

The Company has not invited or accepted any deposits from the public during the year under report.

**INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.**

**A. Conservation of Energy :**

The Company's operation involves no energy consumption.

**B. Form of Disclosure of particulars with respect to absorption of Technology and Development of R & D.**

- i) Research and Development: The Company does not have any R & D Division and Company's Operations does not require this type of establishment.
- ii) Technology absorption, adoption and innovation: The Company has not imported any technology due to its nature of operation.
- iii) Foreign Exchange earnings and outgoing : The Company has no activities related to export of its services. The Company earned Foreign Exchange worth Rs. 53,72,084/- during the year (Previous Year - Rs.37,94,878/-). The Company has remitted foreign exchange worth Rs.7,93,57,984./- (Previous Year - Rs.18,52,213/-) on account of freight paid by overseas constituents on our behalf and/or freight collected by the Company on their behalf and civil/operational expenses in foreign countries. The Company has also incurred Rs.19,09,822/- (Previous Year - Rs.17,47,201/-) by way of foreign tours for business purposes.

**AUDIT REPORT**

The Auditor's report does not contain any qualification or adverse comments.

**CODE OF CONDUCT**

The Board of Directors has laid down a code of conduct applicable to the Board of Directors and Senior Management, which is available on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

**CORPORATE GOVERNANCE**

Your company has always striven to incorporate appropriate standards for good corporate governance. It has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreements of the Stock Exchanges, with which the Company is listed, are complied with.

A certificate of compliance from the Auditors together with a report on Corporate Governance forms part of this Report.

**INVESTOR SERVICES**

In compliance to the requirements of newly inserted clause 54 of the Listing Agreements with Stock Exchanges, the Company has dedicated a column for investor services in its website [www.abcindia.com](http://www.abcindia.com). The company would keep on updating these particulars as and when necessary.

**CAUTIONARY NOTE**

The statements forming part of the Directors' Report may contain certain forward looking statements within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

**ACKNOWLEDGEMENTS**

The Directors wish to convey their sincere appreciation of all the staff members for their enormous personal efforts as well as their collective contribution to the company's performance.

The Directors would also take this opportunity to acknowledge the cooperation and assistance of Financial Institutions, Banks and various Central and State Government Departments and Agencies.

Finally, the Directors owe their gratitude to all the Customers and Shareholders for their continued support to the Company and their confidence in its management.

Place : Kolkata  
Date : August 9, 2011

By order of the Board  
**Ashish Agarwal**  
Managing Director

## CORPORATE GOVERNANCE REPORT

In compliance with clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and the practices followed by the Company.

### 1. Company's Philosophy on Code of Governance :

Your Company's philosophy is to enhance customers' satisfaction and serve the objective of maximising the shareholder value by practicing the principles of good corporate governance.

### 2. Board of Directors :

1) Particulars of composition of Board of Directors, attendance of each Director at Board Meetings & the last Annual General Meeting, and number of other Board of Directors or Board Committees of which Directors are Member/Chairman, are as under :

Name of Director	Category	Attendance Particulars		No. of other Directorships and Committee Memberships/Chairmanships**		
		Board Meetings	Last AGM	Other Directorships	Other Committee	Committee Chairmanships
Shri A. K. Agarwal	Chairman	1	—	1	—	—
Shri Krishan Arya	Independent Non-Executive Director	1	—	—	—	—
Dr. Debasis Sengupta	-do-	4	1	1	1	1
Shri Ashoke K Dutta	-do-	2	—	7	1	1
Dr. Ashok Agarwal	-do-	3	—	4	—	—
Shri. V. K. Jain	- do -	3	1	1	2	—
Dr. P. C. Agarwal	- do -	4	—	—	3	—
Shri Prakash Agarwal*	- do -	2	—	13	—	1
Shri. Ashok Surana	- do -	2	—	—	2	—
Shri Ashish Agarwal	Managing Director	3	1	—	—	—

\* Since resigned

\*\* This excludes Directorships held in Indian private limited companies/foreign companies and trustee/membership of managing Committee of various trusts and other bodies.

During the Financial year ended 31st March, 2011 four Board Meetings were held on 27th May, 2010, 12th July, 2010, 28th October, 2010, and 28th January, 2011. The maximum time gap between any two meetings was not more than four months.

2) Particulars of Non-Executive Director proposed to be reappointed is as follows :

- i) Name : Shri Vijay Jain  
 Age : 60 years  
 Qualifications : B.com. (Hons.), MBA  
 Experience : Renowned businessman having excellent knowledge about Business activities in North Eastern India.  
 Other Directorships : S. B. Yarn India Private Limited.  
 Trust House Securities Private Limited.  
 Shareholding in the company : 350 Equity Shares.
- ii) Name : Dr. Padam Chand Agarwal  
 Age : 60 years  
 Qualifications : MBBS, TDD.  
 Experience : Physician by profession and having excellent understanding of Business activities.  
 Other Directorships : None  
 Shareholding in the Company : 187 Equity Shares.

**ABC INDIA LIMITED**

- iii) Name : Shri. Ashok Surana  
Age : 55 years  
Qualifications : B. Com  
Experience : Renowned Businessman having excellent Knowledge about Business activities in North Eastern India.  
Other Directorships : Magnoplas Private Limited  
Shareholding in the Company : 2500 Equity Shares

## 3) Shareholding of Non-Executive Directors in the Company :

Name	No. of Equity Shares
Shri. Krishan Arya	Nil
Dr. Debasis Sengupta	Nil
Shri Ashoke K Dutta	Nil
Dr. Ashok Agarwal	Nil
Shri. V .K. Jain	350
Dr. P. C. Agarwal	187
Shri Prakash Agarwal	Nil
Shri. Ashok Surana	2500

## 4) Disclosures relating to reappointment and variance in terms of appointment of Executive Directors Shri Anand Kumar Agarwal, Chairman &amp; Shri Ashish Agarwal, Managing Director :

- (I) All elements of remuneration packages such as Salary, benefits, bonuses, stock option, pension etc. of all the directors :
- : **Shri Anand Kumar Agarwal**
- a. Salary : Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per month with annual increment @ Rs. 50,000/- per month effective from 1st day of April each year.
- b. Perquisites : In addition to salary, he shall be entitled to perquisites, which shall be valued as per the provisions of the Income Tax Act, 1961, and which unless the context otherwise requires, are classified into two categories A & B as follows :
- A. (i) Housing : Monthly House Rent Allowance @ 50% of Salary or Rent Free Accommodation in lieu thereof.
- (ii) Provision of Electricity at residential accommodation.
- (iii) Reimbursement of Medical expenses incurred for self and family subject to a maximum of Rs.75,000/- (Rupees Seventy Five Thousand only) per year.
- (iv) Reimbursement of the cost of Individual Mediclaim Policy for self and family subject to a maximum of Rs.25,000/- (Rupees Twenty Five Thousand only) per year.
- (v) Reimbursement of the cost of overseas health & related insurance subject to a maximum of Rs. 10,000/- (Rupees Ten Thousand only) per year.
- (vi) Cost of Personal Accident Insurance subject to a maximum of Rs.30,000/- (Rupees Thirty Thousand only) per year.

- (vii) Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.
- (viii) Provision of Car with driver for use on Company's business.
- B. (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service payable at the end of his tenure, and
- (iii) Encashment of leave at the end of tenure.

**Shri Ashish Agarwal**

- a. Salary : Rs.2,00,000/- (Rupees Two Lakhs only) per month with annual increment @ Rs.50,000/- per month effective from 1st day of April each year.
- b. Perquisites : In addition to salary, he shall be entitled to perquisites, which shall be valued as per the provisions of the Income Tax Act, 1961, and which unless the context otherwise requires, are classified into two categories A & B as follows :
  - A. (i) Housing : Monthly House Rent Allowance @ 50% of Salary or Rent Free Accommodation in lieu thereof.
  - (ii) Provision of Electricity at the residential accommodation.
  - (iii) Reimbursement of Medical expenses incurred for self and family subject to a maximum of Rs.15,000 (Rupees Fifteen Thousand only) per year.
  - (iv) Reimbursement of the cost of Individual Mediciclaim Policy for self and family subject to a maximum of Rs.10,000/- (Rupees Ten Thousand only) per year.
  - (v) Reimbursement of Cost of overseas health & related insurance subject to a maximum of Rs.10,000/- (Rupees Ten Thousand only) per year.
  - (vi) Reimbursement of the cost of Personal Accident Insurance subject to a maximum of Rs.24,000/- (Rupees Twenty Four Thousand only) per year.
  - (vii) Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.
  - (viii) Provision of car with driver for use on Company's business.
- B. (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and,
- (iii) Encashment of leave at the end of tenure.



## ABC INDIA LIMITED

- |  |  |
|--|--|
| (ii) Details of fixed component and performance linked incentives alongwith performance criteria   | All the elements of remuneration for both Shri Anand Kumar Agarwal and Shri Ashish Agarwal are fixed as defined above and there are no performance linked incentives |
| (iii) Service contracts, notice period, severance fees   | As proposed in the Special Resolution  |
| (iv) Stock option details if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable | The executive directors of the Company are presently not entitled to the Stock Option plan of the Company.   |

### 3. Code of Conduct :

The Company has laid down a Code of Conduct for all its Directors and Senior Management personnel for avoidance of conflicts of interest. It has received from all of them the necessary declarations affirming compliance with it for the financial year ended 31.03.2011. There were no material personnel interest adverse to the interest of the Company and improper personal benefits received as a result of their position by the Directors and Senior Management personnel, which could lead to potential conflict of interest with the Company. The Code of Conduct is available on the Company's website.

#### ANNUAL DECLARATION BY MANAGING DIRECTOR (CEO) PURSUANT TO CLAUSE 49(I) (D) (ii) OF STOCK EXCHANGE LISTING AGREEMENT

As the Managing Director (Chief Executive Officer) of ABC India Limited and as required by clause 49(I) (D) (ii) of the Stock Exchange Listing Agreement, I hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Company's Code of Business conduct and Ethics for the Financial year ending 31st March, 2011.

**Ashish Agarwal**  
Managing Director

### 4. Audit Committee :

- 4.1 The audit committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the auditors about internal control systems, the scope of audit including the observation of the Audits, adequacy of the internal control system, major accounting policies, practices and entries, compliances with accounting standards and listing agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the Internal Auditors any significant findings for follow up thereon, to review the Quarterly, Half Yearly and Annual Financial Statements before they are submitted to the Board of Directors.
- 4.2 The Audit Committee of the Board of Directors comprises of following non-executive Directors held four meetings in the financial year 2010-11. It was reconstituted with Dr. Debasis Sengupta, Director as Chairman, Shri. V. K. Jain, Director as Member, Dr. P. C. Agarwal, Director as member and Shri. Sushil Kumar Pransukhka, Vice President (Finance) as Executive Member. The Company Secretary acts as the Secretary to the Committee. Details as to attendance of members and the meeting are as follows :

Name of Director	Designation	No. of meetings attended
(a) Dr. Debasis Sengupta	Chairman	4
(b) Shri V. K. Jain	Member	3
(c) Dr. P. C. Agarwal	Member	4
(d) Shri. S. K. Pransukhka	Executive Member	3

**5. Remuneration Committee :**

Remuneration Committee determines on behalf of the Board of Directors and shareholders, the Company's policy on specific remuneration packages for executive director including pension rights and any compensation payments. It was reconstituted and now comprises of Shri Ashoke K Dutta, Director as Chairman, Dr. Debasis Sengupta, Director as member, Dr. P. C. Agarwal, Director as a member & Shri S. K. Pransukhka, Vice President (Finance) as Executive Member. It held one meeting during the year where all the members were present.

Details of remuneration paid or payable to Directors for the financial year ended 31st March, 2011, are set out below :

Name of Director	Remuneration (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Shri. A. K Agarwal	30,96,800	Nil	30,96,800
Shri. K. Arya	Nil	2000	2000
Dr. Debasis Sengupta	Nil	8000	8000
Shri Ashoke K Dutta	Nil	4000	4000
Dr. Ashok Agarwal	Nil	6,000	6000
Shri. V. K. Jain	Nil	6000	6000
Dr. P. C Agarwal	Nil	8,000	8000
Shri. Prakash Agarwal	Nil	4000	4000
Shri. Ashok Surana	Nil	4000	4,000
Shri. Ashish Agarwal	29,52,722	NIL	29,52,722

**Notes :**

- (i) Appointment of Chairman and Managing Director are for five years and three years respectively. All elements of remuneration of the Chairman and Managing Director i.e. Salary, Perquisites and other benefits, etc. are given in Schedule 15 annexed to and forming part of Profit & Loss Account. As per terms of remuneration, for the purpose of Gratuity, Pension and other benefits, the service of the Chairman and Managing Director are considered continuous service with the Company from the date they joined the service.
- (ii) Shri A. K. Agarwal, Chairman, Shri. Ashish Agarwal, Managing Director and Dr. Ashok Agarwal, Director of the Company are related to each other.
- (iii) The Non-Executive Directors are paid sitting fees for attending Board & Committee Meetings.

**6. Shareholders/ Investors' Grievance Committee :**

The Company's Shareholders cum Investors Grievance Committee looks into various matters relating to expeditious redressal of investor's grievances, transfer and transmission of shares, issue of duplicate share certificates, approving of split and consolidation requests, review of shares dematerialized and all other matter related to shares.

The Chairman of the Committee is Shri. V. K. Jain, Director with Dr. P C Agarwal, Director and Shri Ashok Surana, Director as its members. The Company Secretary acts as the Secretary to the Committee. The Board has designated Shri. A. K. Thirani, Company Secretary as the Compliance Officer.

During the year 8 complaints were received from shareholders and investors, directly or through regulatory authorities. All the complaints have been attended /resolved to the satisfaction of complainants. There were no overdue pending requests for transfer of shares as on 31st March, 2011.

**7. Compensation Committee :**

The Company's Compensation Committee looks into all matter related to working of Employees Stock Option Scheme.

## ABC INDIA LIMITED

The Chairman of the Committee is Mr. Ashoke K. Dutta with Mr. Prakash Agarwal, (since resigned) Director and Mr. Ashok Surana, Director as its member.

The Company Secretary acts as the Secretary of the Committee. It held four meetings during the year.

### 8. General Body Meetings :

Location and time where last three Annual General Meetings were held is given below :

Financial Year	Location of the Meeting	Date	Time
2007-2008	Vishwaratna Hotel, Guwahati, Assam	04.09.2008	1.00 PM
2008-2009	Vishwaratna Hotel, Guwahati, Assam	24.08.2009	1:00 PM
2009-2010	Vishwaratna Hotel, Guwahati, Assam	04.09.2010	1.00 PM

All the resolutions set out in the respective notices were passed by the members. An Extra Ordinary General Meeting was held on 25th day of February, 2011 at Rituraj Hotel, Kedar Road, Guwahati - 7081 001 at 1.00 p.m., where the resolution set out in the Notice was passed by the members present. There were no resolutions put through postal ballot last year. There is no business at the ensuing Annual General Meeting requiring implementation of the postal ballot under the applicable rules.

### 9. Disclosures :

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

- For the list of disclosures of related party relationship and transactions as per Accounting Standard AS-18, please refer to Note on "Related Party Disclosures" in Schedule 15 to the Annual Accounts of the company for the year ended 31st March, 2011.
- There was no incident of non-compliance by the Company, penalties, 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.
- The Company does not have any Whistle Blower Policy as of now, but no personnel is being denied any access to the Audit Committee.
- All the mandatory requirements of clause 49 have been appropriately complied with. The matter of adoption of non-mandatory requirements of clause 49 is being reviewed by the Board from time to time.
- CEO/CFO Certificate in terms of clause 49(V) has been submitted to the Board of Directors.

### 10. Means of Communication :

- Half-Yearly Report sent to each household of shareholders : No
- Quarterly Results : Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirements of the Listing Agreements.
- Newspapers wherein results normally published : English News Paper - Business Line, Business Standard, Sentinel  
Vernacular Newspapers - Ajir Asom
- Websites where displayed : www.abcindia.com
- Whether it also displays official news releases & presentations made to institutional investors/analysts : No
- Whether MD & A is a part of Annual Report : Yes

**11. General Shareholder Information :**

- 11.1 Annual General Meeting  
Date and Time : Saturday, the 24th day of September, 2011 at 1:00 PM  
Venue : Visharatna Hotel, Onkar Plaza  
A. T. Road, Guwahati - 781001, Assam
- 11.2 Financial Calendar (2011-2012) (tentative)  
Financial Reporting and Limited Review Report  
Quarter ending June 30, 2011 : 2nd week of August, 2011  
Quarter/Half Year ending September 30, 2011 : 2nd week of November, 2011  
Quarter ending December 31, 2011 : 2nd week of February, 2012  
Quarter/Year ending March, 31, 2012 : 2nd week of May, 2012
- 11.3 Book Closure date(s) : Monday, the 19th day of September, 2011 to  
Friday, the 23rd day of September, 2011(both days  
included)
- 11.4 Dividend Payment date : On and from 1st day of October, 2011.
- 11.5 Listing of Equity Shares on Stock Exchanges : Bombay Stock Exchange Limited.  
The Calcutta Stock Exchange Association Limited.

(Note : Annual listing fees for the financial year(s) 2010-11 to 2011-12 have been paid to both the above Stock Exchanges).

## 11.6 Stock Code

- Physical Segment : BSE 520123  
CSE 10011146  
Demat ISIN number in NSDL/CDSL : INE125D01011

## 11.7 Stock Market Data :

Monthly high and low quotations of equity shares traded on Bombay Stock Exchange Limited (BSE). The Equity Shares of the Company do not form part of Broad Based indices :

Month	BSE	
	High (in Rs.)	Low (in Rs.)
April, 2010	159.80	119.50
May, 2010	142.55	103.00
June, 2010	127.30	99.00
July, 2010	153.50	108.00
August, 2010	147.60	118.00
September, 2010	152.00	133.00
October, 2010	167.40	136.00
November, 2010	175.40	114.20
December, 2010	147.35	115.00
January, 2011	131.90	106.20
February, 2011	136.90	113.00
March, 2011	151.95	118.70

**ABC INDIA LIMITED**

11.8 Registrar and Share Transfer Agents : M/s. MCS Limited, 77/2A Hazra Road, Kolkata 700029

11.9 Share Transfer System :

Trading in Equity Shares of the Company is permitted in dematerialized form w.e.f. 01.02.2001 for all classes of investors as per notification issued by the Securities and Exchange Board of India (SEBI).

Transfer of shares are processed by the Share Transfer Agents and approved by the share transfer committee called as "Shareholders Cum Investors Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respect.

11.10 (a) Distribution of Shareholding as on 31st March, 2011:

No. of Equity Shares Held	Number of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	4480	94.16	568102	10.49
501 - 1000	117	2.46	89029	1.64
1001 - 2000	54	1.13	75967	1.40
2001 - 3000	25	0.53	63221	1.17
3001 - 4000	13	0.27	46712	0.86
4001 - 5000	5	0.11	24144	0.45
5001 - 10000	18	0.38	143669	2.65
10001 - 50000	24	0.50	496946	9.17
50001 - 100000	8	0.17	582204	10.75
100001 and above	14	0.29	3327158	61.42
<b>GRAND TOTAL</b>	<b>4758</b>	<b>100.00</b>	<b>5417152</b>	<b>100.00</b>

(b) Categorisation of Shareholding as on March 31, 2011 :

Category	Number of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Indian Promoter(s)/ Persons acting in Concert	14	0.29	2939118	54.256
Foreign Promoter	-	-	-	-
Resident Individuals & Corporates	4741	99.65	2449601	45.220
Financial Institutions/ Banks/Mutual Funds	1	0.02	100	0.001
NRI's/OBC's/ Foreign National	2	0.04	28333	0.523
Shares in Transit (NSDL/CDSL)	-	-	-	-
<b>GRAND TOTAL</b>	<b>4758</b>	<b>100</b>	<b>5417152</b>	<b>100</b>

- 11.11 Dematerialization of Shares : 4997781 equity shares representing 92.25% of the total Equity Capital of the Company are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31st March, 2011
- 11.12 Outstanding GDR/ADR Warrants or any Convertible Instruments, Conversion date and likely impact on equity : The Company has not issued any of these instruments so far.
- 11.13 Registered Office : Kedar Road, Guwahati 781001
- 11.14 Address for Investor Correspondence : C-121, Bangur Avenue, Kolkata - 700055  
Phone 033 - 25749589, Email : vrmd@abcindia .com

By order of the Board

Place : Kolkata  
Date : 9th day of August, 2011

**Ashish Agarwal**  
*Managing Director*

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

### **TO THE MEMBERS OF ABC INDIA LIMITED**

We have reviewed the implementation of Corporate Governance procedures by **ABC India Limited** during the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of 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, and the representations made by the Directors and the management, we certify that the Company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned listing Agreement.

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

For **AGARWAL KEJRIWAL & CO.**  
Firm Reg. No. 316112E  
Chartered Accountants

Place : Kolkata  
Date : the 9th day of August, 2011

**M. AGARWAL**  
Partner  
M. No. 52474

**MANAGEMENT DISCUSSION & ANALYSIS****Industry structure and development**

A major part of transportation business in India is done by operators in unorganised sector. Our Company is one of the large organised entity in this sector. Performance, growth and development of transport sector is directly linked with and related to performance, growth and development of industry in our country. The Indian Industry is showing economic growth and development and now requires modern value added logistics solutions. The transport sector is expected to benefit from the economic growth and development of Indian industry.

**Opportunities and Threats**

Road transportation & Logistics solutions are one of the most important prerequisites for development of trade and industry. The Indian industry is showing economic growth and development. Demand for road transport services and logistics solutions also growing. However, the development and growth of road transport is dependent upon growth of trade and industry, Modern and well maintained roads, stable prices of fuel, prices and availability of fuel efficient commercial vehicles and Government policies relating to trade and motor transport.

**Segment-wise or product-wise performance**

During the year the Company had two primary business segments namely, Freight & Services and Petrol Pump Division. Out of the total earnings for these two segments amounting to Rs.20,577 Lakhs, the Freight & Services Division's earning was Rs.16,036 Lakhs, and the Petrol Pump Division's share was Rs.4,541 Lakhs.

**Outlook**

The Company has presence all over India and especially in North Eastern States. The Company also has capabilities and competency to offer both domestic road transportation and international freight forwarding services to its customers. The Company has also proved its capacities to transport super over dimensional and over weight consignments even by multi modal routes. With these advantages, we have good prospects of demand for Company's services. The Company is also providing innovative products to its customers with value addition in its services.

**Risks and concerns**

Our Company, like any other body corporate, is exposed to specific risks that are particular to its business and the environment within which it operates. These include credit risks, market risks and operational risks. We have established policies and procedures to manage these risks. Such policies and procedures are continuously benchmarked with best practices in Indian Road Transport Sector.

**Internal control systems and their adequacy**

The Company has a well-defined organisation structure, authority levels and internal policies and procedures for conducting business transactions. The Company has an internal audit system, and the audit plans. The Audit Committee periodically reviews internal audit reports and adequacy of internal controls.

**Discussion on financial performance with respect to operational performance**

The Company's total earnings including other income for the year amounting to Rs.20,732 Lakhs as compared with previous year's total earnings of Rs.14,677 Lakhs. The profit before Interest, Depreciation and Taxation was Rs.1,850 Lakhs. Interest cost for the year amounted to Rs.582 Lakhs, Depreciation (net of depreciation on revalued assets transferred from Capital Reserve) was Rs.420 Lakhs and provision for taxation for the year is Rs.295 Lakhs. Accordingly, the profit after taxation for the year is Rs.553 Lakhs. The Company has taken strategic steps to improve its business requiring value added logistics solutions and Over Dimensional Consignments where the Company has its niche and where turnover as well as profit margins are generally to be better.

**Material developments in Human Resources/Industrial Relations front, including number of people employed**

The key resource for the Company is its employees, which is giving the Company a competitive edge in the current business environment. The Company has been able to create a favourable work environment that encourages innovation and meritocracy. For this purpose, we have a practice of rigorous job rotation, training in new age skills and multi-functional exposure and responsibilities.

The Company had 486 employees at the end of the year. As in the past, the industrial relations continued to remain cordial at all the locations of the Company.

The Company has granted Employees Stock Option Scheme for its employees in the financial year 2007-08

**AUDITORS' REPORT**

To the Members of  
**ABC INDIA LIMITED**

1. We report that we have audited the attached Balance Sheet of ABC INDIA LIMITED as at 31st March, 2011, and the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provided a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, (the Act) and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order so far as the same are applicable, on the facts and circumstances to the Company.
4. Further to our comments in the Annexure referred to above, we report that :
  - (i) 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.
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books, and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - (iii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act.
  - (v) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
    - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
    - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **AGARWAL KEJRIWAL & CO.**  
Firm Reg. No. 316112E  
*Chartered Accountants*

**M. Agarwal**  
*Partner*  
Membership No. 52474

Place : Kolkata  
Date : the 31st day of May, 2011



**ANNEXURE**

*(Referred to in paragraph 3 of our report of even date on Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date.)*

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has replaced a portion of its Fixed Asset in the regular course of business and disposed off one of its non productive residential flat and few vacant plots. In our opinion and according to the information and explanations given to us sale of such assets has not affected the going concern status of the Company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) (a) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of sub clause (b) to (d) to clause (iii) are not applicable to the Company.
- (b) The Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore the provisions of sub clause (f) and (g) of clause (iii) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business for purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register maintained under that section have been so entered.
- (b) No transaction exceeding the value of rupees five lacs have been made in pursuance of contracts referred to in section 301 of the Companies Act 1956.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore the provisions of clause (vi) are not applicable to the company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Investors Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it with the appropriate authorities. No undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, there are no material dues on account of Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other statutory dues that have not been deposited with appropriate authorities on account of any dispute. However according to the information and explanations given to us, the following dues of Income Tax have not been deposited by the company on account of disputes :

Name of the Statute	Name of the Dues	Amount (Rs.)	Period to which the amount relates	Forum Where Dispute is pending
Income Tax Act, 1961	Income tax	320,273/-	Assessment year 2008-09	CIT(Appeals) XII/ KOLKATA

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash loss in such financial year and in the immediately preceding financial year.
- (xi) In our opinion and as per information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks and it has no debenture holders.
- (xii) In our opinion and as per information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) As per information and explanations given to us the Company is not a chit fund or a Nidhi or a mutual benefit fund/society. Therefore, the provisions of clause (xiii) are not applicable to the Company.
- (xiv) As per information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) are not applicable to the Company.
- (xv) In our opinion terms and conditions on which the Company has given guarantees for loan or other facilities taken by others from banks or financial institutions, are prima-facie not prejudicial to the interest of the Company.
- (xvi) According to information and explanations given to us term loans were applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company had no outstanding debentures in the year.
- (xx) The Company has not raised any money by public issues.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no significant fraud on or by the Company was noticed or reported during the year.

For **AGARWAL KEJRIWAL & CO.**  
*Chartered Accountants*  
Firm Reg. No. 316112E

**M. Agarwal**  
*Partner*  
Membership No. 52474

Place : Kolkata  
Date : the 31st day of May, 2011

**ABC INDIA LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011**

	Sch. No.	Rs.	As at 31st March, 2011 Rs.	As at 31st March, 2010 Rs.
<b>SOURCES OF FUNDS</b>				
<b>SHAREHOLDERS' FUNDS</b>				
Share Capital	1	5,41,21,020		5,39,70,120
Reserves and Surplus		<u>35,27,36,297</u>		<u>30,80,46,938</u>
			<b>40,68,57,317</b>	<b>36,20,17,058</b>
<b>LOAN FUNDS</b>				
Secured Loans	2	83,23,32,960		33,94,42,063
Unsecured Loans		<u>5,60,00,000</u>		<u>22,34,000</u>
			<b>88,83,32,960</b>	<b>34,16,76,063</b>
<b>DEFERRED TAX LIABILITY</b>				
			<u>4,39,73,867</u>	<u>3,55,74,798</u>
TOTAL			<u><b>1,33,91,64,144</b></u>	<u><b>73,92,67,919</b></u>
<b>APPLICATION OF FUNDS</b>				
<b>FIXED ASSETS</b>				
Gross Block	3	73,68,37,758		48,45,51,665
Less : Depreciation		<u>22,25,83,797</u>		<u>18,04,77,298</u>
Net Block		51,42,53,961		30,40,74,367
Advance against capital assets		<u>8,96,04,685</u>		<u>1,43,99,398</u>
			<b>60,38,58,646</b>	<b>31,84,73,765</b>
<b>INVESTMENTS</b>				
	4		<u>9,32,91,124</u>	<u>3,86,80,664</u>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
Stock in Trade	5	34,68,522		29,39,696
Sundry Debtors		66,47,66,872		34,48,10,709
Cash and Bank Balances		8,12,30,562		3,97,17,041
Advances		<u>17,41,60,962</u>		<u>10,06,24,333</u>
Sub - Total (A) :		<u>92,36,26,918</u>		<u>48,80,91,779</u>
<b>Less : CURRENT LIABILITIES &amp; PROVISIONS</b>				
Liabilities	6	24,32,33,237		8,30,15,008
Provisions		<u>3,83,79,308</u>		<u>2,29,63,281</u>
Sub - Total (B) :		<u>28,16,12,545</u>		<u>10,59,78,289</u>
Net Current Assets (A - B)			<b>64,20,14,373</b>	<b>38,21,13,489</b>
<b>NOTES ON ACCOUNTS</b>				
TOTAL	15		<u><b>1,33,91,64,144</b></u>	<u><b>73,92,67,919</b></u>

This is the Balance Sheet referred to in our report of even date annexed

**For AGARWAL KEJRIWAL & CO.**

Chartered Accountants  
Firm Reg. No. 316112E

**MAHADEV AGARWAL**  
Partner

Membership No. 52474

Place : Kolkata

Dated, the 31st day of May, 2011

**ANAND KUMAR AGARWAL**  
Chairman

**V. K. JAIN**  
Director

**ASHISH AGARWAL**  
Managing Director

**DR. DEBASIS SENGUPTA**  
Director

**A. K. THIRANI**  
Secretary

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

	Sch. No.	For the year ended 31st March, 2011 Rs.	For the year ended 31st March, 2010 Rs.
<b>INCOME</b>			
Earning From Freight & Services	7	1,60,36,06,896	1,10,67,42,314
Sale of Petroleum Products		45,40,87,327	35,79,81,425
Other Sources	8	1,54,85,459	29,67,278
Amount transferred from Capital Reserve			
Being depreciation/amortization on revalued assets		13,92,748	14,01,748
		<b>2,07,45,72,430</b>	<b>1,46,90,92,766</b>
<b>EXPENDITURE</b>			
Expenditure relating to Transportation & Services	9	1,22,90,13,992	86,43,51,023
Cost of Sales	10	45,32,47,327	35,71,41,425
Expenditure on Personnel	11	11,23,08,686	8,60,48,951
Office Establishment and Administrative Expenses	12	8,65,19,449	7,06,64,758
Other Expenses	13	61,70,555	68,24,396
Provision for doubtful debts	14	9,75,396	62,087
Interest		5,81,69,646	4,16,71,187
Depreciation/amortization		4,33,69,717	2,54,63,515
		<b>1,98,97,74,768</b>	<b>1,45,22,27,342</b>
<b>Profit before Tax</b>		<b>8,47,97,663</b>	<b>1,68,65,425</b>
Provision for Current Tax		2,11,00,000	75,00,000
Provision for Deferred Tax		83,99,069	(14,05,338)
		<b>2,94,99,069</b>	<b>60,94,662</b>
<b>Profit after Taxation</b>		<b>5,52,98,594</b>	<b>1,07,70,763</b>
Add : (i) Tax Adjustment for earlier year		(3,53,230)	(27,82,730)
(ii) Balance brought forward from last year		8,83,63,162	8,6538,412
		<b>14,33,08,526</b>	<b>9,45,26,445</b>
<b>APPROPRIATIONS</b>			
Proposed Dividend		81,21,678	27,04,181
Provision for Dividend Distribution Tax		13,80,279	4,59,100
Transfer to General Reserve		3,00,00,000	3000,000
Balance carried forward to Balance Sheet		10,38,06,569	8,83,63,162
		<b>14,33,08,526</b>	<b>9,45,26,443</b>
<b>NOTES ON ACCOUNTS</b>	15		
Weighted average Basic earning per share (PAT)		10.17	1.48

This is the Profit & Loss Account referred to in our report of even date annexed

**For AGARWAL KEJRIWAL & CO.**

Chartered Accountants  
Firm Reg. No. 316112E

**MAHADEV AGARWAL**  
Partner

Membership No. 52474

Place : Kolkata

Dated, the 31st day of May, 2011

**ANAND KUMAR AGARWAL**  
Chairman

**V. K. JAIN**  
Director

**ASHISH AGARWAL**  
Managing Director

**DR. DEBASIS SENGUPTA**  
Director

**A. K. THIRANI**  
Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	For the year ended 31st March, 2011 (Rs. in thousand)	For the year ended 31st March, 2010 (Rs. in thousand)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	84,798	16,865
<b>Adjusted for :</b>		
Prior period expenditure	186	55
Net profit before tax and Extra-ordinary items	<u>84,612</u>	<u>16,810</u>
<b>Adjusted for :</b>		
Depreciation	41,977	24,062
Provision for doubtful debts	975	62
Transfer from Surplus Plan Fund	4,619	(3,423)
Interest Received	(2,293)	(1,122)
Interest paid	58,170	41,671
(Profit)/Loss on sale of fixed asset	(1,862)	1,294
(Profit)/Loss from Partnership firm	(47)	(26)
Dividend Received	(792)	(528)
	<u>1,00,748</u>	<u>61,991</u>
<b>Operating profit before working capital changes</b>	<b>1,85,360</b>	<b>78,802</b>
<b>Adjusted for Increase/Decrease in :</b>		
Trade and other receivable	(3,20,932)	(18,709)
Loans advances and deposits	(92,065)	(973)
Inventories	(529)	(838)
Trade Payable	1,59,878	(41,371)
	<u>(2,53,647)</u>	<u>(61,891)</u>
Cash generated from operation	(68,288)	16,911
Direct taxes paid	(1,534)	10,342
Cash flow before extra ordinary items	<u>(66,754)</u>	<u>6,569</u>
Net prior period adjustment	186	55
Net cash from Operating activities	<u>(66,569)</u>	<u>6,624</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchases of fixed assets	(3,30,681)	(61,267)
Sale of Fixed Assets	3,788	5,389
(Purchase)/ Sale of Investment	-	-
Capital (Deposit) / Withdrawn from Partnership firm	(54,563)	9,221
Interest Received	2,293	1,122
Dividend Received	792	528
Net cash used in Investing activities	<u>(3,78,371)</u>	<u>(45,007)</u>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 (CONTD.)**

	For the year ended 31st March, 2011 (Rs. in thousand)	For the year ended 31st March, 2010 (Rs. in thousand)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	790	–
Proceeds from borrowing(Net)	5,46,657	64,633
Interest paid	(58,170)	(41,671)
Dividend Paid	(2,823)	–
Net cash used in Financing activities	4,86,453	22,962
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	41,514	(15,422)
Cash and Cash Equivalents(Opening Balance)	39,717	55,139
Cash and Cash Equivalents(Closing Balance)	81,231	39,717

- Note :** (1) The above cash flow has been prepared under the “Indirect Method” as set out in the accounting Standard-3 issued by the ICAI.  
(2) Cash and Cash Equivalents include : Cash and Bank Balances

---

This is the Cash Flow Statement referred to in our report of even date annexed

**For AGARWAL KEJRIWAL & CO.**

*Chartered Accountants*  
Firm Reg. No. 316112E

**MAHADEV AGARWAL**  
*Partner*

Membership No. 52474

Place : Kolkata

Dated, the 31st day of May, 2011

**ANAND KUMAR AGARWAL**

*Chairman*

**V. K. JAIN**

*Director*

**ASHISH AGARWAL**

*Managing Director*

**DR. DEBASIS SENGUPTA**

*Director*

**A. K. THIRANI**

*Secretary*

**ABC INDIA LIMITED****SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011**

	As at 31st March, 2011 Rs.	As at 31st March, 2010 Rs.
<b>SCHEDULE - 1</b>		
<b>SHAREHOLDERS' FUNDS</b>		
<b>A. SHARE CAPITAL</b>		
<b>Authorised</b>		
1,00,00,000 (1,00,00,000) Equity Share of Rs.10/- each	<u>10,00,00,000</u>	<u>10,00,00,000</u>
<b>Issued, Subscribed and Paid-up</b>		
54,17,152 (P.Y. 54,02,362) Equity Shares of Rs.10/- each fully paid (including 33,02,082 Equity Shares issued as fully paid up bonus share by capitalisation of reserves)	<u>5,41,71,520</u>	<u>5,40,23,620</u>
Less : Calls-in-Arrears by other than managing agents etc. or directors	<u>50,500</u>	<u>53,500</u>
	<u><u>5,41,21,020</u></u>	<u><u>5,39,70,120</u></u>
<b>B. RESERVES AND SURPLUS</b>		
<b>a) Capital Reserve</b>		
Balance as per last Account	6,31,67,597	6,54,68,247
Less : (1) Write up amount of asset sold transferred to General Reserve	2,36,047	8,98,902
(2) Depreciation on write up amount of assets transferred to Profit & Loss Account	13,92,748	14,01,748
Sub - Total (a)	<u>6,15,38,802</u>	<u>6,31,67,597</u>
<b>b) Share Premium Account</b>		
Balance as per last Account	2,50,62,780	2,50,62,780
Addition during the Year	6,38,700	—
Sub - Total (b)	<u>2,57,01,480</u>	<u>2,50,62,780</u>
<b>c) General Reserve</b>		
Balance as per last Account	13,14,53,399	12,75,54,497
Add : (1) Balance written up amount on asset sold transferred from Capital Reserve	2,36,047	8,98,902
(2) Transfer from Profit & Loss Account	3,00,00,000	30,00,000
Sub - Total (c)	<u>16,16,89,446</u>	<u>13,14,53,399</u>
<b>d) Profit &amp; Loss Account</b>		
Balance as per annexed Account	10,38,06,569	8,83,63,162
Sub - Total (d)	<u>10,38,06,569</u>	<u>8,83,63,162</u>
Total : (a+b+c+d)	<u><u>35,27,36,297</u></u>	<u><u>30,80,46,938</u></u>

**SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011 (CONTD.)**

	As at 31st March, 2011 Rs.	As at 31st March, 2010 Rs.
<b>SCHEDULE - 2</b>		
<b>LOAN FUNDS</b>		
<b>A. Secured Loans</b>		
1. Against hypothecation of Vehicles & Personal Guarantee of Managing Director :		
a) From Banks	15,97,46,094	4,75,81,856
b) From Other Financiers	18,43,15,429	1,29,36,635
	<u>34,40,61,523</u>	<u>6,05,18,491</u>
2. Overdraft/Cash Credit facility from banks -		
a) Indian Overseas Bank (Secured by mortgage of specific immovable properties and personal guarantee of Chairman & Managing Director)	5,06,41,170	98,63,297
b) State Bank of India (Secured by exclusive charge on book debts & movable current assets excluding inventory, mortgage of specific Immovable Properties and personal guarantee of Chairman)		
- Cash Credit Facility	20,34,34,518	7,56,37,039
- Corporate Loan	2,35,25,000	3,00,00,000
- Foreign Currency Loan against FCNR (B)	9,08,90,000	4,65,90,000
c) United Bank of India (Secured against equitable mortgage of specified immovable properties, first charge by way of hypothecation of unencumbered Plant & Machinery and personal guarantee of Chairman)	11,96,80,749	11,68,33,236
	<u>48,82,71,437</u>	<u>27,89,23,572</u>
Sub - Total (A)	<u>83,23,32,960</u>	<u>33,94,42,063</u>
<b>B. Unsecured Loans</b>		
<b>Other Loans and Advances</b>		
From Bodies Corporate other than Banks	5,60,00,000	22,34,000
Sub - Total (B)	<u>5,60,00,000</u>	<u>22,34,000</u>
Total : (A + B)	<u>88,83,32,960</u>	<u>34,16,76,063</u>



**SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011 (CONTD.)**

**SCHEDULE - 3  
FIXED ASSET**

Description of Assets	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK			
	Cost as at 1st April 2010 Rs.	Additions during the period Rs.	Sales/ Adjustment Rs.	Cost as at 31st March, 2011 Rs.	Up to 31st March, 2010 Rs.	For the year Rs.	Sales/ Adjustment Rs.	Upto 31st March, 2011 Rs.	As on 31st March, 2011 Rs.	As on 31st March, 2010 Rs.
<b>LAND:</b>										
Land Freehold	91,295,852	16,398,659	161,427	107,533,084	—	—	—	—	107,533,084	91,295,852
Land Leasehold	21,664,219	—	69,003	21,595,216	1,933,260	126,740	9,108	2,050,892	19,544,324	19,730,959
<b>BUILDINGS:</b>										
Buildings (Office & Godown)	143,648,700	—	—	143,648,700	68,443,527	4,799,144	—	73,242,671	70,406,029	75,205,173
Buildings (Residential)	8,791,057	—	321,000	8,470,057	2,431,618	141,875	104,804	2,468,689	6,001,368	6,359,439
<b>PLANT AND MACHINERY</b>										
Weighing Scale	558,690	—	—	558,690	558,072	274	—	558,346	344	618
Chainpully / Cranes	222,302	—	—	222,302	218,208	803	—	219,011	3,291	4,094
Other Machineries	9,202,420	14,135,256	—	23,337,676	2,482,144	691,529	—	3,173,673	20,164,003	6,720,276
Air Compressor	84,535	—	—	84,535	60,856	3,886	—	64,742	19,793	23,679
<b>FURNITURES &amp; FITTINGS</b>										
<b>VEHICLES</b>										
Trucks and Trailors (Imported)	16,627,096	—	—	16,627,096	16,627,095	—	—	16,627,095	1	1
Trucks and Trailors (Indigenous)	11,959,401	214,179,098	—	326,138,499	53,739,699	30,039,118	—	83,778,817	242,359,682	58,219,702
Scooters & Cycles	936,476	305,596	—	1,242,072	827,974	22,743	—	850,717	391,355	108,502
Motor Vehicles	15,304,583	6,569,267	2,637,691	19,236,159	4,754,434	1,628,903	1,149,306	5,234,031	14,002,128	10,550,149
<b>OTHERS</b>										
Office Equipment	12,777,742	468,275	—	13,246,017	6,388,488	605,002	—	6,993,490	6,252,527	6,389,254
Electrical Equipments	5,192,434	166,183	—	5,358,617	2,349,018	253,990	—	2,603,008	2,755,609	2,843,416
Computers	22,611,730	2,522,810	—	25,134,540	7,829,670	3,693,273	—	11,522,943	13,611,597	14,782,060
Generators	700,019	—	—	700,019	327,999	26,028	—	354,027	345,992	372,020
<b>GRAND TOTAL :</b>	484,551,665	255,475,214	3,189,121	736,837,758	180,477,298	43,369,717	1,263,218	222,583,797	514,253,961	304,074,367
<b>PREVIOUS YEAR</b>	449,562,720	54,742,009	19,753,064	484,551,665	168,083,346	25,463,515	13,069,563	180,477,298	304,074,367	—

- Gross Block includes Rs. 8,18,26,752/- (P.Y. Rs. 8,32,42,495/-) added thereto on revaluation of Leasehold Land, Freehold Land, Office and Godown Building and Residential Building made by independent valuers during the period ended 30.09.1987 and 31.03.1995.
- Depreciation / amortization for the year, on write up value of assets made in the year ended 30-09-1987 and 31-03-1995 has been provided at SLM rates as per Schedule - XIV of the Companies Act 1956, and in case of leasehold properties over the lease term amounting Rs.13,92,748/- (P.Y. Rs. 14,01,748/-) and equal amount has been transferred from Capital Reserve Account to Profit & Loss Account.

**SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011 (CONTD.)**

	No. of Shares	As at 31st March, 2011 Rs.	No. of Shares	As at 31st March, 2010 Rs.
<b>SCHEDULE - 4</b>				
<b>INVESTMENTS</b>				
<b>A. Long-term at Cost</b>				
<b>In Unquoted fully paid up Equity Shares</b>				
<b>of Rs 10/- each in Body Corporates</b>				
<b>Trade</b>				
l) Nissin ABC Logistic Pvt. Ltd.	<b>264000</b>	<b>26,40,000</b>	264000	26,40,000
<b>Other than Trade</b>				
i) Utsav Prakashan Ltd.- in liquidation (Company under same management)	<b>49500</b>	<b>4,95,000</b>	49500	4,95,000
ii) G.L. Media Services P. Ltd.	<b>50000</b>	<b>5,00,000</b>	50000	5,00,000
Sub -Total		<b><u>36,35,000</u></b>		<u>36,35,000</u>
<b>B. Current Investments</b>				
Capital in Partnership Firm -				
Assam Bengal Carriers		<b>9,01,51,124</b>		3,55,40,664
Total : A + B		<b><u>9,37,86,124</u></b>		<u>3,91,75,664</u>
Less : Provision for diminution in value of investment in Shares of Utsav Prakashan Limited		<b>4,95,000</b>		4,95,000
Grand Total		<b><u><u>9,32,91,124</u></u></b>		<u><u>3,86,80,664</u></u>

**SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011 (CONTD.)**

	As at 31st March, 2011 Rs.	As at 31st March, 2010 Rs.
<b>SCHEDULE - 5</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>Current Assets</b>		
<b>Stock in Trade</b>		
Petroleum products & Spare Parts (Taken, valued and certified by the Management)	34,68,522	29,39,696
	<u>34,68,522</u>	<u>29,39,696</u>
<b>Sundry Debtors</b>		
(Unsecured, Considered Good unless otherwise stated)		
[Refer note no.2 (XII) (a) of Schedule 15]		
Debts due for more than six months	3,45,91,749	2,71,13,640
Other Debts	63,30,47,811	31,95,94,361
	<u>66,76,39,560</u>	<u>34,67,08,001</u>
Less : Provision for bad and doubtful debts	28,72,688	18,97,292
	<u>66,47,66,872</u>	<u>34,48,10,709</u>
<b>Cash and Bank Balances</b>		
Cash Balance		
Cash in hand	3,09,70,922	2,08,94,111
Cheques in hand	1,57,79,588	22,59,169
Sub - Total (a)	<u>4,67,50,510</u>	<u>2,31,53,280</u>
<b>Cash at Bank (with Scheduled Banks)</b>		
In Current Account	84,63,423	26,76,381
In Fixed Deposit Account [ Pledged with bank towards Margin money for bank guarantee ](Including Interest Accrued but not due Rs 12,94,797/-; (P.Y. Rs.5,85,910/-)	2,60,16,629	1,38,87,380
Sub - Total (b)	<u>3,44,80,052</u>	<u>1,65,63,761</u>
Total (a + b)	<u>8,12,30,562</u>	<u>3,97,17,041</u>
<b>Advances (Unsecured, considered good)</b>		
(Recoverable in cash or in kind or for value to be received)		
Rent Receivable	1,05,59,276	26,82,302
Advance to Employees	17,65,363	20,16,936
Prepaid Expenses	7,572	1,67,624
Other Advances	9,22,40,891	2,83,82,112
Surplus of Gratuity Plan Funds	41,73,949	87,93,165
Advance Fringe Benefit Tax	-	33,66,400
Income Tax deducted at source & refunds (including Rs.140,000/- seized by Income Tax Department)	2,74,11,835	3,79,55,035
<b>Deposits</b>		
Deposits with Customs, Port trust, etc.	3,02,558	-
Others	3,76,99,518	1,72,60,759
Total :	<u>17,41,60,962</u>	<u>10,06,24,333</u>

**SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011 (CONTD.)**

	As at 31st March, 2011 Rs.	As at 31st March, 2010 Rs.
<b>SCHEDULE - 6</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Liabilities -</b>		
Sundry Creditors		
For Expenses	12,97,45,101	2,98,48,192
For Others	11,07,76,697	3,75,07,244
Freight Advance	-	1,14,98,543
Unclaimed Dividend	3,39,804	-
Banks (due to reconciliation)	23,71,635	41,61,029
Sub Total (a)	<u>24,32,33,237</u>	<u>8,30,15,008</u>
<b>Provisions -</b>		
For Income Tax & Frienge Benefit Tax	2,88,77,351	1,98,00,000
For Proposed Dividend	81,21,678	27,04,181
For Dividend Distribution Tax	13,80,279	4,59,100
Sub Total (b)	<u>3,83,79,308</u>	<u>2,29,63,281</u>
Total (a) + (b)	<u><u>28,16,12,545</u></u>	<u><u>10,59,78,289</u></u>

**SCHEDULE TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

	For the year ended 31st March, 2011 Rs.	For the year ended 31st March, 2010 Rs.
<b>SCHEDULE - 7</b>		
<b>EARNING FROM FREIGHT AND SERVICES</b>		
From Transportation and Contract jobs [ TDS Rs. 69,31,787/- ( P. Y. Rs 82,27,138/-)]	1,57,15,96,165	1,07,46,94,461
Rent (TDS Rs. 21,75,124/-)(P.Y. Rs 56,10,943/-)	3,20,10,731	3,20,47,853
Total :	<u><u>1,60,36,06,896</u></u>	<u><u>1,10,67,42,314</u></u>

**SCHEDULE - 8**

**INCOME FROM OTHER SOURCES**

Dividend on long term trade investment	7,92,000	5,28,000
Interest (TDS Rs. 1,07,982 /-) (P.Y. Rs. 80,459/-)	22,92,944	11,21,606
Profit on sale of Assets	23,67,482	7,14,906
Previous years adjustment	2,56,129	1,18,442
Foreign Exchange Fluctuation	49,595	19,814
Share of Profit from Partnership Firm	47,115	25,516
Recovery of Written Off Advances	72,63,666	-
Keymen Insurance Policy Maturity Proceeds	24,16,528	-
Insurance claim received	-	4,38,995
Total :	<u><u>1,54,85,459</u></u>	<u><u>29,67,278</u></u>

**ABC INDIA LIMITED****SCHEDULE TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011 (CONTD.)**

	For the year ended 31st March, 2011 Rs.	For the year ended 31st March, 2010 Rs.
<b>SCHEDULE - 9</b>		
<b>EXPENDITURE RELATING TO TRANSPORTATION &amp; SERVICES</b>		
Payment to Hired Lorries	87,57,47,324	67,17,92,606
Other Transportation Charges	4,27,33,013	4,99,68,609
Enroute Expenses	14,45,10,806	64,84,761
Shipment & Custom Clearance Expenses	4,88,34,153	4,37,81,650
Vehicle operation & maintenance	7,82,47,308	5,96,29,102
Road Taxes	68,30,082	78,91,757
Vehicle Insurance	51,64,678	14,31,590
Commission on Booking	6,14,262	2,72,058
Claims Paid	33,67,904	22,78,988
Service Tax	1,02,80,659	1,16,16,387
Other transport related expenses	42,65,170	17,07,563
Rent for properties leased out as services	84,18,633	74,95,952
Total :	<u>1,22,90,13,992</u>	<u>86,43,51,023</u>
<b>SCHEDULE - 10</b>		
<b>COST OF SALES</b>		
<b>PETROLEUM PRODUCTS</b>		
Opening Stock	29,39,696	21,02,144
Add.: Purchase	44,68,97,825	35,30,83,865
	<u>44,98,37,521</u>	<u>35,51,86,009</u>
Less : Closing Stock	34,68,522	29,39,696
	<u>44,63,68,999</u>	<u>35,22,46,313</u>
Add.: Operating Charges	68,78,328	48,95,112
Cost of Sales	<u>45,32,47,327</u>	<u>35,71,41,425</u>
<b>SCHEDULE - 11</b>		
<b>EXPENDITURE ON PERSONNEL</b>		
Salaries, Bonus and Allowances [Including Bonus provision Rs. 20,83,038/- (P.Y. Rs. 22,33,313/-)]		
For employees covered under ESI Scheme	2,25,49,648	1,52,61,092
For others	6,48,07,146	5,37,11,450
Gratuity paid [Including Rs. NIL (P.Y. Rs. NIL) paid towards recognized Employees Gratuity Fund, and Rs. 46,19,216/- (P.Y. Rs. - 34,22,845/-) towards decrease/(increase) of Surplus in Gratuity Plan Funds]	49,08,261	(16,09,519)
Statutory Contribution to PF, ESI etc.	49,31,103	40,90,249
Staff Welfare Expenses	99,22,806	1,00,99,312
Managerial Remuneration	51,89,722	44,96,367
Total :	<u>11,23,08,686</u>	<u>8,60,48,951</u>

**SCHEDULE TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011 (CONTD.)**

	For the year ended 31st March, 2011 Rs.	For the year ended 31st March, 2010 Rs.
<b>SCHEDULE - 12</b>		
<b>OFFICE ESTABLISHMENT AND ADMINISTRATIVE EXPENSES</b>		
Rates and Taxes	12,19,391	26,56,144
Postage, Telegram and Telephone	78,73,092	83,72,135
Printing and Stationary	21,26,568	18,83,713
Travelling and Conveyance	1,59,76,802	1,25,82,641
Electricity Charges	35,04,997	30,65,885
Legal Expenses & Compensation	7,67,838	6,56,874
General Expenses	14,23,801	13,46,780
Office Maintenance	67,75,670	39,62,786
Filing Fees	1,73,119	1,15,882
Vehicle Maintenance	43,80,307	38,22,664
Advertisement	6,93,533	7,99,215
Bank Charges	75,19,870	42,54,516
Subscription	10,55,908	8,17,930
Consultancy Charges	37,55,310	41,32,382
Entertainment Expenses	21,60,568	19,93,558
Conference and Seminar	5,84,092	10,27,048
Miscellaneous Repairs	32,388	24,901
Rent	1,59,31,257	1,31,89,995
Building Repairs & Maintenance	17,86,434	29,91,061
Insurance	35,91,008	11,26,130
<b>Auditors' Remuneration</b>		
Audit fees	3,30,900	1,65,450
For Tax matter	1,00,253	28,189
<b>Other Audit Expenses</b>		
Tax Audit Fees	55,150	55,150
Internal Audit fee	7,53,873	5,80,427
Other Expenses	72,410	67,389
Premium on forward contract	29,27,500	-
Directors Sitting fees	52,000	48,000
Computer Expenses	8,95,410	8,97,914
Total :	<u>8,65,19,449</u>	<u>7,06,64,758</u>

**ABC INDIA LIMITED****SCHEDULE TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011 (CONTD.)**

	For the year ended 31st March, 2011 Rs.	For the year ended 31st March, 2010 Rs.
<b>SCHEDULE - 13</b>		
<b>OTHER EXPENSES</b>		
Loss on sale of Assets	5,05,828	20,09,091
Bad debts written off	17,69,750	1,58,339
Previous years adjustment	70,613	63,433
Charity and Donation	36,48,061	45,32,979
Loss by theft	52,331	-
Foreign exchange rate fluctuation	1,23,972	60,554
Total :	<u>61,70,555</u>	<u>68,24,396</u>
<b>SCHEDULE - 14</b>		
<b>PROVISION FOR DOUBTFUL DEBTS</b>		
Provision for doubtful debts	9,75,396	18,97,292
Total :	<u>9,75,396</u>	<u>18,97,292</u>
<b>SCHEDULE -15</b>		

Notes on Accounts attached to and forming part of the Balance Sheet as at 31st March, 2011 and the Profit & Loss account for the year ended on that date.

**1. Summary of Significant Accounting Policies :****I) Revenue recognition :**

In compliance with the requirement of accrual system of accounting, following standards have been set out and are being followed over the years -

- a) Freight Income is accounted for, generally when goods are delivered by the Company to customers. Direct expenses on transportation of goods are accounted for when hired lorries deliver the goods at destination and in case of Company's own trucks on completion of trip.
- b) Payments made to hired lorries at the time of commencement of trip for destination and freight received from customers in advance at the time of booking are charged to revenue as and when paid/received.
- c) In case of composite contract jobs all receipts are accounted for on the basis of completion of job or a distinct part thereof if so provided for in contract and in case of transportation jobs where progressive work bills are raised as per contracts, on the basis of such bills, as the case may be.
- d) Deductions made by parties including Tax Deducted at Source are accounted for in the year of actual deduction or communication, as the case may be, by the party.
- e) Income from dividend is recognized, when the right to receive such payment is established.
- f) Service Tax collected on freight and services income are included in the respective heads.

Having regard to size of operations and the nature and complexities of Company's business, in management's opinion the above are the reasonable standards of applying the accrual system of accounting as required by the law.

**II) Fixed assets :**

Fixed assets are stated at cost or at revalued amounts, as the case may be, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, improvement cost thereto, and any attributable cost of bringing the asset to its working condition for its intended use.

**III) Borrowing Costs :**

Financing costs, if incurred, relating to construction of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

**IV) Intangible Assets :**

Costs relating to softwares and licenses, which are acquired, are capitalised and amortised on a straight line basis over their useful life.

**V) Investments :**

Investments intended to be held for more than a year are classified as long-term investments, and carried at cost. However, provision for diminution in value, other than temporary, has been recognized, wherever necessary.

**VI) Work in progress/Stock in trade :****a) Stock in trade :**

Inventories are stated at lower of cost or net realizable value. Cost is determined using the FIFO method and comprises of the purchase price including duties and taxes, freight in-ward and other expenditure directly attributable to the acquisition but excluding the trade discounts and other rebates. Provision is made for obsolete, slow-moving and damaged stock, wherever necessary.

**b) Work in process :**

Work in progress as and when arise (mainly expenditure relating to incomplete transportation job) are stated at estimated/actual cost.

**VII) Depreciation/Amortization :**

Depreciation has been provided on historical cost and where revaluation of assets has been made on written up cost in the manner and as per Straight Line Method at rates prescribed in the Schedule-XIV of the Companies Act, 1956. An amount equivalent to the depreciation on such written up amount of assets has been transferred from Capital reserve due to revaluation of assets, and separately credited to the Profit & Loss Account. Premium paid on Leasehold properties is amortized based on their lease term.

**VIII) Foreign Currency Transaction :****a) Initial Recognition :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**b) Conversion :**

Foreign currency monetary items are reported using the closing rate.

**c) Exchange Differences :**

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

**d) Forward Exchange Contracts not intended for trading or speculation purposes :**

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

**e) Hedging :**

The company has used foreign exchange future contracts to hedge its exposure to movements in foreign exchange rates related to interest on foreign currency denominated loans.

**IX) Retirement benefit :**

a) Provident Fund and Pension Fund are defined contribution schemes (Government scheme) and the contributions thereto are charged to the Profit & Loss Account of the year when the contributions to the respective funds are paid/due.



**ABC INDIA LIMITED**

- b) Gratuity liability is Defined Benefit Obligation and is fully funded by way of contribution determined on the basis of an actuarial valuation made at the end of each financial year which is in turn funded with Life Insurance Corporation of India Limited in the form of a qualifying insurance policy. Actuarial gain/ losses, if any, are recognized in Statements of Profit & Loss.

The Company has used the Projected Unit Credit Method to actually determine the present value of its defined benefit obligation and the related current service cost and where applicable, past service cost.

**(i) Change in Projected Benefit Obligation :**

(Rs. in lacs)

<b>PARTICULARS</b>	<b>31st March 2011</b>	<b>31st March 2010</b>
Projected Benefit Obligation at beginning of the period	105.96	124.59
Service Cost	11.17	9.91
Interest Cost	8.09	7.81
Curtailment Cost / (Credit)	0.00	0.00
Settlement Cost / (Credit)	0.00	0.00
Plan Amendments	0.00	0.00
Past Service Cost (Vested Benefit)	15.01	0.00
Acquisitions	0.00	0.00
Actual Benefit Payments	(24.29)	(18.13)
Actuarial Losses / (Gains)	31.90	(18.21)
Projected Benefit Obligation at end of the period	147.84	105.96

**(ii) Change in Fair Value of Plan Assets :**

(Rs. in lacs)

<b>PARTICULARS</b>	<b>31st March 2011</b>	<b>31st March 2010</b>
Fair Value of Plan Assets at the beginning of the period	193.89	178.29
Acquisition Adjustments	0.00	0.00
Expected return on plan assets	14.67	14.26
Actual Contributions	0.01	0.00
Actual Benefits Payments from Plan Assets	(21.4)	0.00
Actuarial Gains / (Losses)	2.41	1.34
Fair Value of Plan Assets at the end of period	189.58	193.89
Discount Rate Applied	8.40%	8.60%

**(iii) Amount recognized in Balance Sheet :**

(Rs. in lacs)

<b>PARTICULARS</b>	<b>31st March 2011</b>	<b>31st March 2010</b>
Projected Benefit Obligation	147.84	105.96
Fair Value of Plan Assets	189.58	193.89
Funded status surplus / (deficit)	41.74	87.93
Unrecognized Past Service Costs	0.00	0.00
Net Asset/(Liability) recognized in Balance Sheet	41.74	87.93
Assumptions at Discount Rate	8.40%	8.60%
Duration of Liability/ Average Future Amortisation service	20.32	20.94

**(iv) Amount recognized in Statement of Profit and Loss :**

(Rs. in lacs)

PARTICULARS	31st March 2011	31st March 2010
Current Service Cost (including risk premiums for fully insured benefits)	11.17	9.91
Interest Cost	8.09	7.81
Employee Contributions	0.00	0.00
Expected return on Plan Assets	(14.67)	(14.26)
Premium for fully insured benefits	0	0.00
Curtailment Cost / (Credit)	0	0.00
Settlement Cost / (Credit)	0	0.00
Past Service Cost	15.01	0.00
Actuarial Losses / (Gains)	29.49	(19.55)
Total employer expense for the year as per actuarial valuation	49.09	(16.09)

**(v) The financial assumptions used in actuarial valuation :**

PARTICULARS	31st March 2011	31st March 2010
Discount rate	8.40%	8.60%
Expected return on assets	8.00%	8.00%
Salary escalation	5.00%	5.00%

**(vi) Summary of the active members of the scheme :**

(Rs. in lacs)

PARTICULARS	31st March 2011	31st March 2010
No. of active members	498	483
Average monthly salary (INR)	7327	6126
Average age (years)	36.07	36.00
Average past service (years)	9.48	9.73

**(vii) Withdrawal Rate as per actuarial valuation :**

PARTICULARS	31st March 2011	31st March 2010
Below 25	0.50%	0.50%
Ages from 25-29	0.30%	0.30%
Ages from 30-34	0.20%	0.20%
Ages from 35-49	0.10%	0.10%
Ages from 50-54	0.20%	0.20%
Above 54	0.30%	0.30%

**X) Taxation & Deferred Tax :**

Tax expense comprises both current and deferred taxes. Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized for the timing differences, subject to the consideration of prudence in respect of deferred tax assets and measured using the tax rates and tax laws enacted on the balance sheet date. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

**XI) Earning per share :**

Basic & Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as per AS 20 issued by The Institute of Chartered Accountants of India.

## ABC INDIA LIMITED

### XII) Provisions & Contingencies :

Provisions are recognized for present obligation as a result of past events where it is probable that outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities not provided for are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

### XIII) Impairment of Assets (AS-28) :

The management has carried out an impairment test as per AS-28, Impairment of Assets, issued by the Institute of Chartered Accountants of India on all its fixed assets. As there was no impairment, no provision has been made.

### XIV) Interest in joint venture :

The Company has a 24 % interest in the joint venture, Nissin ABC Logistics Pvt. Limited, incorporated in India, which is engaged in logistic service business.

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity as at 31 March, 2010 for which its audited accounts are available are as follows :

(Rs. in '000)

PARTICULARS	31st March 2011	31st March 2010
<b>Assets :</b>		
Net fixed Asset	5,971	6,435
Sundry Debtors	8,881	8,527
Cash and Bank Balances	5,089	3,451
Other Current Assets	109	61
Loans and Advances	2,930	4,692
Deferred Tax Assets	674	453
<b>Liabilities :</b>		
Share Capital	2,640	2,640
Reserve & Surplus	13,445	10,116
Unsecured Loan	-	3,600
Current Liabilities	6,129	6,259
Provisions	1,439	1,004
<b>Income :</b>		
Earning from logistic services	96,350	86,228
Other Income	581	419
<b>Expenses :</b>		
Expenditure on Staff	17,353	13,111
Expenditure relating to logistic services	58,460	52,085
Administrative Expenses	11,993	13,325
Depreciation	2,449	1,988
Financial Expenses	199	634
Prior Period Items	-	932
Profit/(Loss) before tax	6,477	5,503

Joint Venture has no Capital expenditure commitments and contingent liabilities.

### XV) Petrol Pump at Pune :

The Company's petrol pump at Pune is being administered and operated under an agreement by a party where the Company is entitled to fixed monthly income and such party has to bear operating expenses including bad debts and losses, if any, besides making arrangements of funds. Such operating expenses are accounted for deriving cost of sales.

## 2. Notes on Accounts :

- I) The books of accounts for all branches are being maintained at company's office at Kolkata on the basis of data, statements, vouchers etc. received from accounting centers, which have been checked by internal auditors thereat.

II) The Company has no dues to entities falling under the provisions of Micro, Small & Medium Enterprises Development Act, 2006.

III) **Capital Commitments :**

Estimated amount is not ascertainable for contracts remaining to be executed on capital account against which advance of Rs. 8,96,04,685/- (P.Y. Rs. 1,43,99,398/-) has been made.

IV) **Contingent Liabilities not provided for :**

(Rs. in lacs)

PARTICULARS	31st March, 2011	31st March, 2010
Guarantees and Counter guarantees given by the Company	1,383.64	655.01
Income tax liability in respect of which the Company has preferred appeals/ representations before appropriate authorities. Based on judicial precedence Company's claim is likely to succeed.	3.20	0.59
	<b>Asst. Year (2008-09)</b>	<b>Asst. Year (2006-07)</b>

In respect of various court cases filed by / or against the Company, amount is unascertainable

V) **Details regarding investments in the partnership firm Assam Bengal Carriers are as follows :**

(In Rs.)

PARTICULARS	31st March, 2011	31st March, 2010
Total Capital of the Firm	5,82,81,795/-	1,86,80,528/-
Company's Capital in the Firm	9,01,51,124/-	3,55,40,664/-
<b>Name and share of Partners :</b>		
Shri Ashok Kumar Agarwal	01%	05%
ABC India Limited	05%	05%
Smt Nirmal Agarwal	26%	26%
Smt. Sweta Agarwal	26%	26%
Shri Ashish Agarwal	26%	26%
Shri S. G. Das	-	02%
M/s Anand Agarwal & Sons- HUF	16%	10%

VI) **Managerial Remuneration to Managing Director and Chairman paid/ payable as per Schedule XIII to the Companies Act, 1956 :**

(Rs. in lacs)

PARTICULARS	31st March, 2011	31st March, 2010
Salaries	41.40	36.00
House Rent Allowance	8.60	7.20
Medical Reimbursement	0.30	0.30
Mediclaime	0.03	0.18
Leave Travel Concession	1.45	1.20
Club Subscription	0.12	0.09
<b>Total</b>	<b>51.90</b>	<b>44.96</b>
<b>Add :</b>		
Cost of Rent Free Accommodation	3.63	10.81
Contribution to Provident fund	4.97	4.32
<b>Grand Total</b>	<b>60.50</b>	<b>60.10</b>

Note : As the liability for gratuity is provided on an actuarial basis and the liability for leave encashment is provided for the company as a whole, the amount pertaining to the Chairman and Managing Director is not ascertainable and therefore, not included above.

## ABC INDIA LIMITED

### VII) Computation of Net Profit in accordance with section 349 of the Companies Act, 1956 for calculation of Remuneration payable to directors :

(In Rs.)

PARTICULARS	31st March, 2011	31st March, 2010
<b>Profit as per Profit and Loss Account</b>	<b>8,47,97,663</b>	1,68,65,423
<b>Add : Directors' remuneration</b>	<b>60,49,522</b>	60,09,567
Provision for doubtful debts	<b>9,75,396</b>	62,087
Loss on sale of Fixed Assets	<b>5,05,828</b>	20,09,091
<b>Less : Profit on sale of fixed assets as per Profit and Loss account</b>	<b>23,66,952</b>	7,14,906
<b>Net profit as per Section 349 of the Companies Act, 1956</b>	<b>8,99,61,457</b>	2,42,31,262

VIII) Earnings from transportation and related activities includes Rs. 53,72,084/- (P.Y. Rs.37,94,878/-) being earnings in foreign exchange received during the year.

IX) Expenditure on foreign tour undertaken by executives amounted to Rs. 19,09,822/- (P.Y Rs. 17,47,201/-) which includes cost of foreign currency purchased for Rs. 7,61,893/- (P.Y Rs. 7,72,784/-) and other expenses Rs. 11,47,929/- (P.Y Rs. 9,74,417/-). Apart from above the company has remitted foreign exchange worth Rs. 7,93,57,984/- (P.Y Rs. 18,52,213/-) on account of freight by overseas constituents spent on company's behalf and/or freight collected by company on their behalf, transfer to branch and payment of license subscription fee.

X) The balance of Cash & Bank includes Rs. 3,39,804/- as at 31st March, 2011 (P.Y. NIL) set aside for payment of dividend.

XI) **Interest paid includes payment made to :**

(Rs. in lacs)

PARTICULARS	31st March, 2011	31st March, 2010
Banks and others for finance of assets	<b>150.21</b>	61.42
Banks on Working Capital Loan	<b>359.20</b>	352.70
Other Bodies corporate	<b>70.66</b>	2.60

XII) (a) Bad debts are ascertained by the management, each year after due consideration and are accordingly written off. During the year Rs. 17,69,750/- ( P.Y Rs. 1,58,339/-) has been written off. Although doubtful debts could not be specifically quantified, however, as an abundant precaution an amount of Rs. 9,75,396/- (P.Y Rs. 62,087/-) has been provided towards estimated bad debts.

(b) Balances of Deposits and Advances are subject to confirmation from the respective parties.

### XIII) Related Party Disclosure :

Particulars	Associates		Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Total	
	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010
Investment of capital	<b>747.31</b>	365.57	<b>26.40</b>	26.40	—	—	—	—	<b>773.71</b>	391.97
Withdrawn of capital	<b>201.20</b>	457.78	—	—	—	—	—	—	<b>201.20</b>	457.78
Transportation receipt	—	—	<b>443.47</b>	354.96	—	—	—	—	<b>443.47</b>	354.96
Transportation related payment	<b>157.37</b>	—	<b>128.88</b>	107.62	—	—	—	—	<b>286.17</b>	107.62
Reimbursement towards expenses	—	—	<b>150.00</b>	117.51	—	—	—	—	<b>150.00</b>	117.51

Particulars	Associates		Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Total	
	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010
Advance taken	32.02	—	—	—	—	—	—	—	32.02	—
Advance given	62.08	—	—	—	—	—	—	—	62.08	—
Dividend received	—	—	7.92	5.28	—	—	—	—	7.92	5.28
Rent Expense	18.95	15.25	—	—	—	—	—	—	18.96	15.25
Rent Income	20.63	19.53	1.50	—	—	—	—	—	22.13	19.53
Building maintenance paid	1.21	1.21	—	—	—	—	—	—	1.21	1.21
Donation Paid	5.75	5.00	—	—	—	—	—	—	5.75	5.00
Salary/ Remuneration	—	—	—	—	60.50	60.10	—	—	60.50	60.10
Guarantees given/obtained	175.00	175.00	—	—	—	—	—	—	175.00	175.00
Share of profit/(loss) from Firms	0.47	0.26	—	—	—	—	—	—	0.47	0.26
Outstanding Advance (taken) as at the year ended	101.13	108.21	—	—	—	—	—	—	101.13	108.21
Outstanding Advance (given) as at the year ended	61.19	38.21	—	—	—	—	—	—	61.19	38.21
Investment in Firm	901.51	355.41	—	—	—	—	—	—	901.51	355.41

**Names of Related Parties**

Associates	<ol style="list-style-type: none"> <li>1. Boruka Properties Private Limited</li> <li>2. ABC India Secure Insurance service Private Limited</li> <li>3. TCI Industries Limited</li> <li>4. Boruka Public Welfare Trust</li> <li>5. Gati Limited</li> <li>6. Transport Corporation of India Limited</li> <li>7. Utsav Prakashan Limited</li> <li>8. Assam Bengal Carriers Limited</li> <li>9. M/S. Assam Bengal Carriers</li> <li>10. TCI Boruka Projects Ltd</li> <li>11. Transcorp International Limited</li> <li>12. Gusto Imports Private Limited</li> </ol>
Joint Ventures	Nissin ABC Logistics Private Limited
<b>Key Management Personnel.</b> (Managing Director, Whole time director, manager and other managerial personnel)	Mr. Anand Kumar Agarwal Mr. Ashish Agarwal
<b>Relatives of key management personnel.</b> (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)	None

## ABC INDIA LIMITED

### XIV) Deferred Tax Assets / Liabilities :

(In Rs.)

PARTICULARS	31st March, 2011	31st March, 2010
<b>Liability :</b>		
On Timing difference in WDV of depreciable assets-	<b>4,39,73,691</b>	3,55,74,798
Less : Opening Balance	<b>3,55,74,798</b>	3,69,80,136
Charged to Profit and Loss Account	<b>83,98,893</b>	(14,05,338)

### XV) Earning Per Share :

(In Rs.)

PARTICULARS	31st March, 2011	31st March, 2010
Profit after Tax and Extra Ordinary items as per Profit & Loss Account	<b>5,49,45,363</b>	79,88,031
Weighted Average No. of Equity Shares (Face value of Rs.10/- each)	<b>54,02,646</b>	54,02,362
Basic EPS	<b>10.17</b>	1.48

### XVI) Segment Reporting :

**Business segment : As per AS-17 issued by the Institute of Chartered Accountant of India the company has two segments namely Freight and Service division and Petrol Pump division.**

(Rs. in Lacs)

Reportable Segment (Primary)	Freight and Services Division		Petrol Pump Division		Unallocated		Total	
	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010	31st March, 2011	31st March, 2010
Net Segment Revenue	<b>16,036.07</b>	11,067.42	<b>4,540.87</b>	3,579.81	<b>168.78</b>	43.69	<b>20,745.72</b>	14,690.92
Net Segment Result [ Profit /(Loss) before Tax Interest]	<b>1,715.84</b>	1,014.29	<b>8.21</b>	8.22	—	—	<b>1,892.83</b>	1,022.51
Less : Interest	—	—	—	—	<b>581.7</b>	416.71	<b>581.70</b>	416.71
Less : Unallocated expenses net of unallocated income.	—	—	—	—	<b>463.15</b>	437.15	<b>463.15</b>	437.15
Profit before Tax	—	—	—	—	—	—	<b>847.98</b>	168.65
Other Information:								
Segment Assets	<b>14133.91</b>	6,731.49	<b>73.83</b>	109.18	<b>2000.03</b>	1,611.69	<b>16207.77</b>	8,452.35
Segment Liabilities	<b>1829.08</b>	645.58	<b>66.59</b>	101.25	<b>536.67</b>	83.21	<b>2432.34</b>	830.04
Capital Expenditure	<b>2,517.63</b>	501.11	—	—	<b>37.12</b>	46.32	<b>2,554.75</b>	547.42
Depreciation	<b>400.57</b>	225.11	<b>0.19</b>	0.18	<b>32.94</b>	29.35	<b>433.70</b>	254.64

#### Note :

- Segment Assets & Liabilities, as well as revenue & expenses are directly attributable to the segment.
- All Unallocated assets & liabilities and revenue & expenses are treated separately.
- There are no separate reportable secondary segments.
- Accounting policies of the segment are the same as those described in summary of significant account policies as set out in note no 1 of Schedule 15.

**XVII) Quantitative information as to purchase, sales, opening & closing stock are given below :**

Item Name	Opening Stock				Purchases			
	Quantity in Litres		Value in Rupees		Quantity in Litres		Value in Rupees	
	<b>31st March, 2011</b>	31st March, 2010	<b>31st March, 2011</b>	31st March, 2010	<b>31st March, 2011</b>	31st March, 2010	<b>31st March, 2011</b>	31st March, 2010
Diesel	20,891	15,784	7,94,587	5,18,028	76,24,000	70,00,000	30,39,85,403	24,44,07,935
Petrol	36,180	18,170	17,75,197	7,60,100	23,90,000	20,03,000	12,99,57,786	9,09,25,763
Miscellaneous	—	—	3,69,912	8,24,016	—	—	1,29,54,636	1,77,50,167
Total			29,39,696	21,02,144			44,68,97,825	35,30,83,865

Item Name	Sales				Closing Stock			
	Quantity in Litres		Value in Rupees		Quantity in Litres		Value in Rupees	
	<b>31st March, 2011</b>	31st March, 2010	<b>31st March, 2011</b>	31st March, 2010	<b>31st March, 2011</b>	31st March, 2010	<b>31st March, 2011</b>	31st March, 2010
Diesel	76,09,622	69,94,893	30,87,16,825	24,70,57,166	35,269	20,891	14,22,166	7,94,587
Petrol	23,98,822	19,84,990	1,32,17,33,93	9,22,08,441	27,358	36,180	16,43,195	17,75,197
Miscellaneous	—	—	1,31,97,108	1,87,15,818	—	—	4,03,160	3,69,912
Total			45,40,87,327	35,79,81,425			34,68,522	29,39,696

**XVIII)** Previous year figures have been regrouped / rearranged wherever necessary and figures in brackets in Balance Sheet, Profit & Loss A/C and Schedules thereto are for the previous year.

Schedule No. 1 to 15 are attached to and forming part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and have been signed for the purpose of identification.

**For AGARWAL KEJRIWAL & CO.**

Chartered Accountants  
Firm Reg. No. 316112E

**MAHADEV AGARWAL**  
Partner

Membership No. 52474

Place : Kolkata

Dated, the 31st day of May, 2011

**ANAND KUMAR AGARWAL**

Chairman

**V. K. JAIN**

Director

**ASHISH AGARWAL**

Managing Director

**DR. DEBASIS SENGUPTA**

Director

**A. K. THIRANI**

Secretary



**ABC INDIA LIMITED****BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
FOR THE YEAR ENDED 31ST MARCH, 2011****I. REGISTRATION DETAILS**

Registration No.	1393 of 1972	State Code	02
Balance Sheet Date	31.03.2011		

**II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. '000)**

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	151

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. '000)**

Total Liabilities	1339164	Total Assets	1339164
-------------------	---------	--------------	---------

**Source of Funds**

Paid-up Capital	54121	Reserve & Surplus	352736
Secured Loan	832333	Unsecured Loan	56000
Deferred Tax Liability	43974		

**Application of Funds**

Net Fixed Assets	603859	Investment	93291
Net Current Assets	642014	Misc. Expenditure	NIL
Accumulated Losses	NIL		

**IV. PERFORMANCE OF COMPANY (Amount in Rs. '000)**

Turnover	2074572	Total Expenditure	1989775
Profit before tax	84798	Profit after tax	54945
Earning per Share (Rs.)	10.17	Dividend Rate %	15

**V. GENERIC NAMES OF THREE PRODUCTS/SERVICES OF THE COMPANY (as per monetary terms)**

Item Code No. (ITC Code)	Not Available	Product	Multi-modal Transportation
		Description :	Service undertaking Applicable

**ANAND KUMAR AGARWAL**  
*Chairman***V. K. JAIN**  
*Director***ASHISH AGARWAL**  
*Managing Director***DR. DEBASIS SENGUPTA**  
*Director*Place : Kolkata  
Dated, the 31st day of May, 2011**A. K. THIRANI**  
*Secretary***Group for the purpose of inter-se transfer of shares of the Company under regulation 3(1)(e)(i) of SEBI  
(Substantial Acquisition of Shares & Takeovers) Regulations, 1997**

ABC Financial Services Pvt. Ltd.	Anand Kumar & Sons
Anand Kumar Agarwal	Ashish Agarwal
Assam Bengal Carriers	Assam Bengal Carriers Ltd.
Bhoruka Properties Pvt. Ltd.	Bikky Agarwal
Fresh Focus Consumer Products Pvt. Ltd.	Gusto Imports Pvt. Ltd.
Kadambari Kapoor	Nirmal Agarwal
Prabhudhan Carriers Pvt. Ltd.	Prabhudhan Investment Pvt. Ltd.
Prabhudhan Properties Pvt. Ltd.	Sweta Agarwal
Sweta Financial Services Pvt. Ltd.	

# ABC INDIA LIMITED

Registered Office : KEDAR ROAD, GUWAHATI, ASSAM

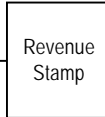
## PROXY FORM

Regd. Folio No. :
DP ID No. :
Client ID No. :

I/We \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_, being a member/members of the above named Company hereby appoint  
\_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_, or failing him \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
as my/our proxy to vote for me/us on my/our behalf at the Thirty Eight Annual General Meeting of the Company to be held on  
Saturday, the 24th September, 2011 at 1:00 PM and at any adjournment thereof.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_, 2011

Signature \_\_\_\_\_



- Note :** 1) This form in order to be effective should be stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.  
2) \*Applicable to shareholders holding shares in electronic form

Regd. Folio No. :
DP ID No. :
Client ID No. :

# ABC INDIA LIMITED

Registered Office : KEDAR ROAD, GUWAHATI, ASSAM

## ATTENDANCE SLIP

38th Annual General Meeting, 24th September, 2011

I certify that I am registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 38th Annual General Meeting of the Company at Vishwaratna Hotel, Onkar Plaza, A. T. Road, Guwahati - 781001, Assam at 1:00 PM on 24th September, 2011.

\_\_\_\_\_  
Member's/Proxy's name in BLOCK LETTERS

\_\_\_\_\_  
Member's/Proxy's Signature

- Note :** 1) Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL  
2) \*Applicable to shareholders holding shares in electronic form

**BOOK-POST**

If undelivered please return to :

**ABC INDIA LIMITED**

C-121 BANGUR AVENUE

KOLKATA-700 055