

ON TIME... EVERYTIME.



51st Annual Report
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Logistical Reliability

Board of Directors



Areef A. Patel Executive Vice Chairman



Chairman Asgar S. Patel



Syed K. Husain Director



Director P. S. G. Nair



Farukh S. Wadia Director



Director Sandeep P. Parikh

BOARD OF DIRECTORS

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

COMPANY SECRETARY

Nitin B. Akolkar

AUDITORS

MSP & Co.	Mumbai
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LEGAL ADVISORS

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

BANKERS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

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

SHARE TRANSFER AGENTS

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

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51st Annual General Meeting

Wednesday, the 25th day of September 2013, at 11.00 a.m. at Sheila Raheja Hall,
Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.

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



NOTICE

NOTICE is hereby given that the 51st Annual General Meeting of the members of PATEL INTEGRATED LOGISTICS LIMITED will be held at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049, on Wednesday the 25th day of September 2013 at 11.00 a.m., to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at 31st March 2013 and the Statement of Profit and Loss Account for the year ended 31st March 2013 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Sandeep P. Parikh, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be recommended by Audit Committee and fixed by the Board of Directors.

SPECIAL BUSINESS

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

“RESOLVED that Mr. Syed K. Husain, an Additional Director of the Company who, under Section 260 of the Companies Act, 1956, holds office only up to the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing under section 257 and other applicable provisions, if any, of the said Act, proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.”

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

“RESOLVED that pursuant to provisions of Section 163 and other applicable provisions, if any of the Companies Act, 1956, the Company hereby approves that the Registers and Indexes of Members and the Registers and Indexes of Debenture holders, as and when applicable, and copies of all Annual Returns prepared under Section 159 of the said Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the said Act or any one or more of them shall, as from the date of the passing of this resolution, be kept at the office of Share Transfer Agents namely M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072 instead of being kept at the Registered Office of the Company or at the office of erstwhile Registrar and Share Transfer Agent of the Company M/s. Computronics Financial Services (India) Ltd;

FURTHER RESOLVED that the Registers, Indexes, Returns, Certificates and Documents of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956, be kept open for such inspection, at the place where they are kept by the person entitled thereto, to the extent, in the manner and on payment of the fees, if any, specified in the said Act between the hours of 10.30 a.m. and 12.30 p.m. on every working day (excluding Saturdays) except when the Registers and Books are closed under the provisions of the said Act, the Articles of Association of the Company or the Listing Agreement with the Stock Exchanges.”

Registered Office:

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

Mumbai, 12th August 2013

By order of the Board,

(Nitin B. Akolkar)
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid.
3. In order to be effective proxies must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
4. Members may please bring the Attendance Slip duly filled in and hand over the same at the entrance to the Meeting Hall.
5. Corporate Members / FIIs / Financial Institutions intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of the Board resolution / such other documents authorizing their representatives to attend and vote at the Annual General Meeting well in advance.
6. The erstwhile Share Transfer Agents of the Company M/s Computronics Financial Services (India) Ltd conveyed their intentions to discontinue the Share Transfer Work and to transfer the business of the Registrars and Share Transfer Agents to M/s Bigshare Services Private Limited. The Board of Directors in their Meeting held on 12th August 2013 has appointed M/s Bigshare Services Private Limited as the new Share Transfer Agents of the Company.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September 2013 to 25th September 2013 (both days inclusive).
8. Members seeking any information with regards to annual accounts are requested to write to the Company in advance so as to enable the management to keep the information ready.
9. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is enclosed herewith.
10. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividends, upto 2004-05 to the Investor Education and Protection Fund (the Fund) established by the Central Government.

Unclaimed dividend for the financial year ended 31st March 2006 will be due for transfer to the Fund on 11th January 2014 pursuant to the provisions of Section 205A of the Companies Act, 1956.

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

Members should write to the Company or its Share Transfer Agent, if their dividend warrants for the year ended 31st March 2006, or any subsequent financial year(s), have not been encashed. In respect of dividend for the financial year ended 31st March 2006, it will not be possible to entertain any claim received after 31st December 2013.

11. Members are requested to send their Bank Account details on or before 23rd September 2013 to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072. This is to avoid the fraudulent encashment of dividend warrants.
12. The Company provides National Electronic Clearing Service (NECS) facility for the payment of dividend. Accordingly, shareholders holding equity shares in physical form are requested to send National Electronic Clearing Service (NECS) mandates, if any, in the prescribed form which is a part of this Annual Report, on or before 23rd September 2013, to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072.

Shareholders holding equity shares of the Company in the dematerialized form shall intimate to their respective Depository Participants on or before 23rd September 2013, about the NECS mandates, if any, in the prescribed form which is a part of this Annual Report.



13. Dividend as recommended by the Board of Directors will be paid to the shareholders in the manner given below:
- To all the shareholders who have opted for NECS Mandates by way of direct credit to their respective Bank Accounts.
 - To shareholders who have not opted for NECS Mandates:
 - If the dividend amount is in excess of Rs. 10,000/- by way of Pay Orders / Demand Drafts; and
 - If the dividend amount is not in excess of Rs. 10,000/- by way of Dividend Warrants.
- 14) The Annual Report 2012-13 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.patel-india.com and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com

INFORMATION ABOUT DIRECTORS PROPOSED TO BE APPOINTED/REAPPOINTED

1	NAME	Mr. Sandeep P. Parikh		
	AGE	53 years		
	QUALIFICATIONS	B. Com. , F. C. A., Grad. C.W. A.		
	EXPERTISE	Mr. Sandeep Parikh is a Chartered Accountant having more than two decades of rich and varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance.		
	PARTICULARS OF APPOINTMENT / RE-APPOINTMENT	Mr. Sandeep Parikh is the Director of the Company since 1 st October 2006. Mr. Parikh retires by rotation at the ensuing Annual General Meeting. It is proposed to reappoint Mr. Parikh as the Director of the Company.		
	OTHER DIRECTORSHIPS AS ON 31 ST MARCH 2013	Wall Street Securities & Investments (India) Pvt. Ltd.	Director	
		Wall Street Derivatives & Financial Services Pvt. Ltd.	Director	
		Lyka Labs Limited	Director	
		Xoriant Solutions Pvt. Ltd.	Director	
		Soliel Financial Services Pvt. Ltd	Director	
		Arun Govil Productions Pvt. Ltd.	Director	
		Cine Vision Distributors Pvt. Ltd.	Director	
		Cemtrex India Pvt. Ltd.	Director	
		Development Equities Pvt. Ltd.	Director	
		Lyka BDR International Ltd	Director	
		Ducon Power Systems (I) Pvt. Ltd	Director	
		Bianco Engineering Services (I) Pvt. Ltd	Director	
		One Capitall Limited	Director	
	*CHAIRMANSHIP(S)/ MEMBERSHIP(S) OF COMMITTEES AS ON 31ST MARCH 2013	Name of the Company	Type of the Committee	Position Held
		Lyka Labs Ltd	Audit Committee	Chairman
		Lyka Labs Ltd	Remuneration Committee	Member
		Patel Integrated Logistics Ltd	Audit Committee	Member
		Patel Integrated Logistics Ltd	Remuneration and Compensation Committee	Member

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

2	NAME	Mr. Syed K. Husain	
	AGE	67 years	
	QUALIFICATIONS	B.Sc. (Engineering), M.Sc. (Management)	
	EXPERTISE	Mr. Husain has over 35 years of experience in various fields like Transportation of Goods, Logistics and Distribution, Engineering, Exports, Construction and General Management.	
	PARTICULARS OF APPOINTMENT / RE-APPOINTMENT	The Board of Directors of the Company have appointed Mr. Husain as an Additional Director of the Company with effect from 29th May 2013. The Company has received, from one of the shareholders of the Company, a notice of candidature of Mr. Husain for the office of Director of the Company u/s 257 of the Companies Act, 1956. It is proposed to appoint Mr. Syed K. Husain as the Director of the Company.	
	OTHER DIRECTORSHIPS AS ON 31ST MARCH 2013	Name of the Company	Position Held
		Patel Holdings Ltd.	Director
		Natasha Constructions Pvt. Ltd.	Director
		Patel Real Estate Developers Pvt. Ltd	Director
	*CHAIRMANSHIP(S)/MEMBERSHIP(S) OF COMMITTEES AS ON 31ST MARCH 2013	NIL	

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

Registered Office:

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

Mumbai, 12th August 2013

By order of the Board,

(Nitin B. Akolkar)
Company Secretary



ANNEXURE TO THE NOTICE

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

Item no. 5

Mr. Syed K. Husain appointed by the Board of Directors as an Additional Director of the Company, with effect from 29th May, 2013.

The Company has received a Notice u/s 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- from one of the members, proposing the candidature of Mr. Syed K. Husain for the office of Director of the Company.

Mr. Syed K. Husain is an Engineering Graduate with Post Graduation in Management and has over 35 years of rich experience in various fields like Transportation of Goods, Logistics, Engineering, Construction and General Management.

Your Directors feel that his presence on the Board will be beneficial to the Company and therefore recommend the passing of the resolution at item no. 5 of the Notice.

Save and except Mr. Syed K. Husain, none of the other Directors is concerned or interested in passing of the resolution at item no. 5 of the Notice.

Item no. 6

The erstwhile Share Transfer Agents of the Company M/s Computronics Financial Services (India) Ltd conveyed their intentions to discontinue the Share Transfer Work and to transfer the business of the Registrars and Share Transfer Agents to M/s Bigshare Services Private Limited. The Board of Directors in their Meeting held on 12th August 2013 has appointed M/s Bigshare Services Private Limited as the new Share Transfer Agents of the Company subject to approval of shareholders required under Section 163 of the Companies Act.

Approval of members is sought, pursuant to the provisions of Section 163 of the Companies Act, 1956, to keep the Register of Members, the Index of Members and copies of all Annual Returns prepared under section Section 159 and 160, together with copies of certificates and documents required to be annexed thereto under Sections 160 and 161, at the office of M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072, who are the new Registrars and Share Transfer Agents of the Company and also deal with the dematerialization of Company's shares.

To avoid administrative inconvenience and expenses, and in the interest of more expeditious and interactive disposal of investor queries, it is proposed to keep all the Registers and documents etc. envisaged under the provisions of the said section 163 at the office of M/s Bigshare Services Private Limited, the Registrars and Share Transfer Agents of the Company, situated at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072.

The Special Resolution under this item also specifies the time and place of inspection of the Registers and other documents of the Company, as envisaged under the said Section 163, by its members and others, namely, between the hours of 10.30 a.m. and 12.30 p.m. on any working day i.e. any day excluding Saturdays, Sundays and public and bank holidays and any other day on which the office of M/s Bigshare Services Private Limited, remains closed.

None of the Directors of the Company is concerned or interested in passing of the Resolution at item No.6 of the Notice.

Registered Office:

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

By order of the Board,

(Nitin B. Akolkar)
Company Secretary

Mumbai, 12th August 2013

DIRECTORS' REPORT

To,
The Members of
Patel Integrated Logistics Limited.

The Directors have pleasure in presenting their 51st Annual Report and the Audited Statement of Accounts for the year ended 31st March 2013.

FINANCIAL RESULTS :

The financial results are as under:

	(Rs. in lakhs)	
	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Profit before Interest, Depreciation & Tax	1797.21	1667.39
Less : Interest	918.94	741.81
Profit before Depreciation	878.27	925.58
Less : Depreciation	493.09	427.27
Profit before tax	385.18	498.31
Less : Provision for tax	153.00	190.00
Less : Deferred Tax	(9.10)	(12.05)
Less : (Excess)/Short Provision of Income Tax for earlier years	--	52.09
Profit after tax	241.28	268.27
Add : Balance of Profit from previous year	975.16	1118.70
TOTAL ...	1216.44	1386.97
APPROPRIATIONS:		
Equity Dividend	75.93	182.24
Tax on Dividend	12.91	29.57
Transfer to General Reserve	200.00	200.00
Transfer to Contingency Reserve	300.00	--
Balance carried to Balance Sheet	627.60	975.16
TOTAL ...	1216.44	1386.97

PERFORMANCE REVIEW:

The overall economic scenario continues to project a grim picture across all segments. FY 2012-13 proved to be a challenging year due to global economic uncertainties and disturbances in many parts of the World. However the global economy in the Financial Year 2012-13 improved slowly, but was short on expectations. Deceleration in industrial output and exports weakened India's economic growth significantly. Your Company is also not exception to this situation. Despite these constraints and challenging environment, the Company, although not able to perform to its full potentials has done reasonably well to sustain itself in such difficult economic scenario.

The performance of your Company in terms of the revenue earned during the financial year 2012-13 has been satisfactory. Total income earned by the Company during the year under consideration increased and stood at Rs.51078.26 lacs as compared with 45383.05 lacs for the previous year. The Profit Before Tax is Rs.385.18 lacs and Profit After Tax is Rs.241.28 lacs. The reduction in Profit After Tax as compared to previous year is mainly on account of higher Depreciation and finance cost.

The Net Worth of your Company is Rs.8936.18 lacs while the Fixed Assets base is Rs.5126.89 lacs. The Fixed Assets if considered at the current market price, would be substantially higher but not quantified. The Earning Per Share is Rs.1.59.



Your Company is taking various measures to meet the situation. The Company is concentrating on its 'Patel Retail' express business, which has high margin of profits and also putting more efforts to increase its warehousing business in the years to come. Prudent cost reduction measures have also been undertaken along with plans for faster recovery of dues.

Notwithstanding the continued recessionary trends in the economy, the Company is confident of improving its volumes and profitability in the current year and will be able to sail through the adverse economic conditions much more comfortably.

DIVIDEND :

For the year under consideration, the Board of Directors have recommended a dividend of Re.0.50/- per share i.e. 5% on the equity share capital of the Company for the financial year ended March 31, 2013. The dividend payout for the year under review has been formulated after consideration of shareholders aspirations and Company's long term growth objectives to be met by internal accruals.

FUTURE PLANS AND OUTLOOK:

With the GDP Growth rate of Indian economy is slowing down to 5.0 per cent in the year 2012-13, it is always challenging for the corporates to grow in terms of business and profitability. Our planning in the coming year is to sustain the present business and look for the opportunities to increase our profitability.

Subject to improvement in global economic scenario, the Indian logistics industry is certainly viewed as one that is being defined by dynamic trends, buoyed by rapid industrial and economic growth. Your company is poised to take the advantage of such situation to continue to give its best to its customers.

'Patel Retail' division of the Company is expected to continue its growth trajectory. This business is in a unique position to capitalise on the growing opportunities in India. The strategic expansion plans for 'Patel Retail' will be drawn in the current year to strengthen its market share and growth. The Company is also planning to increase its market share in Full Truck Business (FTL).

The Company has upgraded its Linux base ERP software to support its business strategy. The Company is planning to make investment in computerization of its operations to improve its service efficiency.

In recent times, the Indian warehousing segment in India has evolved significantly. Apart from conventional storing services, warehouses are now providing value-added services like consolidation and breaking up of cargo, packaging, labeling, bar coding and reverse logistics etc. Warehousing and related activities account for approximately 20% of the total logistics industry. Your Company has also started to spread its wings in the warehousing business. The demand for warehousing space is growing steadily and the Company is planning to increase its warehousing business, which will bring more value for the shareholders in the years to come.

On the front of the Cargo Consolidation Business, after expanding at 20%-plus rates through 2011 and early 2012, the Indian air cargo market stopped growing at the end of 2012.

The current Airline Policies have a fragmentary approach, which is not helping the air cargo industry. Airports and fuel are getting more expensive even as airlines struggle. A weak rupee isn't helping and has caused further cost increases in dollar-denominated expenses for the International courier and cargo consolidation as well..

The cargo capacity management will remain tight throughout the year, as the domestic capacity will only increase by 7% to 8%, which is half of the increase seen in the previous financial year.

Other challenges loom on the horizon. The policy on ground handling needs to be resolved for our business and our Company to grow and show robust growth. Despite the above challenges, your Company is geared to take up the same and shall maintain its market share and profitability.

SUBSIDIARY:

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

FINANCE:

A) Bank Finance:

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

B) Fixed Deposits:

The Company is eligible to raise the public deposits of Rs.2978.10 lacs as on 31st March 2013. However the Company is following very conservative policy for acceptance of public deposits. Accordingly, Fixed Deposits accepted by the Company stood at Rs.1065.30 lacs as on 31st March 2013. There were no unpaid or overdue deposits as on 31st March 2013, other than unclaimed Deposits aggregating Rs.11.58 lacs. During the year under consideration, amount of Rs.58,469/- being unclaimed fixed deposits and interest accrued thereon, has been transferred to the Investor Education and Protection Fund. The Company is maintaining 15% of the amount of the Fixed Deposits maturing on or before 31st March 2014 as liquid assets in fixed deposits with scheduled banks as required under rule 3A of Companies (Acceptance of Fixed Deposits) Rules, 1975.

C) Credit Rating:

The Company holds a credit rating, assigned by India Ratings & Research Private Ltd, a Fitch group Company and a credit rating agency, who reaffirmed National long term credit rating 'BBB-' [outlook stable(investment grade)] for our fund based & non fund based borrowings from banks & for finance lease.

DIRECTORS :

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

Mr. Syed K. Husain was appointed as an Additional Director of the Company with effect from 29th May 2013. Mr. Husain vacates office of Director, at the ensuing Annual General Meeting. The Company has received a Notice alongwith the necessary deposit u/s 257 of the Companies Act, 1956, proposing the candidature of Mr. Syed K. Husain as the Director of the Company.

AUDITORS:

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

The Company has received a letter from the Auditors to the effect that their appointment, if made would be within the prescribed limits under section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of section 226 of the said Act.

AUDITORS' REPORT:

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

CORPORATE GOVERNANCE :

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

SECRETARIAL AUDIT REPORT:

As a measure of good corporate governance practice, the Board of Directors of the Company appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary, to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2013 is provided in the Annual Report.

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

PART A – CONSERVATION OF ENERGY:

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

PART B – TECHNOLOGY ABSORPTION : Not Applicable

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

(Rs. in lakhs)

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Earnings in Foreign Exchange		
Air Freight Billing, and other expenses (Net)	6.30	6.87
TOTAL ...	6.30	6.87
Expenditure in Foreign Currency		
Membership and Subscription Fees	0.16	0.15
Travelling	6.46	11.98
TOTAL ...	6.62	12.13

PERSONNEL & HUMAN RESOURCES :

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

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

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March 2013 are in full conformity with the requirement of the Companies Act, 1956.

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

- 1) in the preparation of the annual accounts, for the year ended March 31, 2013, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profits of the Company for that period;
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- 4) the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

ACKNOWLEDGEMENTS:

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

For and on behalf of the Board of Directors**Registered Office :**

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

Mumbai, 29th May 2013

A. S. PATEL - Chairman
A. A. PATEL - Executive Vice Chairman
P. S. G. NAIR - Director

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

A) Company's Philosophy on the Corporate Governance

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

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

B) The Board of Directors

The Board of Directors has judicious mix of Executive and Non-Executive Directors as on 31st March, 2013, comprised of a Non-Executive Chairman, a Whole-time Director designated as Executive Vice-Chairman and three Non-Executive Directors. All three Non-Executive Directors are Independent Directors. Mr. Syed K. Husain has been appointed as an Additional Director w.e.f. 29th May 2013.

During the financial year ended 31st March 2013, Six Board Meetings were held. Dates on which Board Meetings were held are 11-05-2012, 07-08-2012, 30-08-2012, 28-09-2012, 05-11-2012, and 12-02-2013.

Composition of the Board of Directors as at 31st March 2013, their attendance at Board Meetings during the year ended on that date and at the last Annual General Meeting as also number of other directorships and chairmanships / memberships of committees held by them, as on that date are as given below:

Sr. No.	Name of the Director	Category of Directorship	No. of Board Meetings Attended	Attendance at the Last A.G.M.	No. of other Directorships (Including Pvt. Ltd. Companies)	Committee Memberships	
						Chairman	Member
1.	Mr.Asgar S.Patel	NEC	Nil	No	1	-	-
2.	Mr.Areef A.Patel	WTD	6	Yes	1	-	1
3.	Mr.P.S.G.Nair	NEID	6	Yes	Nil	3	-
4.	Mr. Sandeep P. Parikh	NEID	3	No	13	1	3
5.	Mr.Farukh S.Wadia	NEID	6	Yes	Nil	Nil	3

NEC - Non Executive Chairman

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

NEID - Non Executive Independent Director

C) Audit Committee

1) Terms of Reference:

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

- Overseeing the financial reporting process and disclosure of financial information to ensure correctness and credibility of financial statements;
- Reviewing the quarterly and annual financial statements before submission to the Board of Directors;
- Discussing with the external auditors the nature and scope of audit before the commencement of the audit and having a post audit review to ascertain areas of concern, if any;
- Reviewing the performance of Statutory and Internal Auditors, Internal Audit function and the adequacy of Internal Control Systems;



- e) Discussing with Internal Auditor about significant findings, if any, and the follow up action on the same;
- f) Recommending the appointment/removal of external auditors and fixing of their remuneration;
- g) Investigating into matters specifically referred by the Board of Directors;
- h) Reviewing the annual financial statements with special reference to matters required to be included in the Directors' Responsibility Statement, changes in accounting policies if any, with reasons therefor, major accounting entries involving estimates based on exercise of judgement by management, significant adjustments made in the financial statements arising out of audit findings, compliance with listing and other legal requirements relating to financial statements, disclosure of any related party transactions and qualifications in the audit report;
- i) To look into reasons for substantial defaults in payment to fixed deposit holders, and creditors.
- j) Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors of the Company.
- k) Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.

2) Composition:

The Audit Committee comprises of 4 Directors as on 31st March 2013 i.e. Mr. P. S. G. Nair, Mr. Areef A. Patel, Mr. Farukh S. Wadia and Mr. Sandeep P. Parikh. Mr. P. S. G. Nair is the Chairman of the Committee. The Audit Committee met 5 times during the year ended 31st March, 2013. Dates on which Audit Committee Meetings were held are 11-05-2012, 07-08-2012, 30-08-2012, 05-11-2012 and 08-02-2013. Attendance of the members of the Committee at the Audit Committee Meetings held during the financial year ended 31 March, 2013, was as follows:

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

D) Shareholders' Grievance Committee

1) Terms of Reference:

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

2) Composition:

The Shareholders' Grievance Committee comprises of two Non-Executive Independent Directors i.e. Mr.P.S.G.Nair and Mr. Farukh S. Wadia. Mr.P.S.G.Nair is the Chairman of the Committee. The Shareholders' Grievance Committee met twice during the financial year ended 31st March 2013. Dates on which Shareholders' Grievance Committee Meetings were held are 30-04-2012 and 29-10-2012. Attendance of the members of the Committee at the Shareholders' Grievance Committee Meetings was as follows:

Sr.No.	Name Of The Member	Status	No.Of Meetings Attended
1.	Mr. P.S.G.Nair	Chairman	2
2.	Mr. Farukh S. Wadia	Member	2

during the year 2012-2013, 7 (Seven) complaints were received from shareholders/investors. All these complaints have been replied to the satisfaction of the complainants.

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

All valid transfers received during the year 2012-2013 have been acted upon by the Company.

E) Remuneration and Compensation Committee:

1) Terms of Reference:

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

2) Composition:

The Remuneration and Compensation Committee, as on 31st March 2013, comprised of 3 Non-Executive Independent Directors i.e. Mr.P.S.G.Nair, Mr. Sandeep P. Parikh, and Mr.Farukh S.Wadia. Mr.P.S.G.Nair is the Chairman of the Committee. The Remuneration and Compensation Committee did not have an occasion to meet during the financial year 2012-2013.

3) Details of the Managerial Remuneration paid during the year ended 31st March, 2013 :

Details of managerial remuneration paid during the year ended 31st March, 2013 are given in Notes to Accounts. The Company has not paid any remuneration to Non-Executive Directors during the year ended 31st March, 2013, except sitting fees for attending meetings of the Board of Directors and Committees thereof.

The details of the equity shares of the Company held by Directors as on 31st March, 2013 are given below:

Sr. No.	Name of the Director	No. of Shares held
1.	Mr. Asgar S. Patel	10,65,879
2.	Mr. Areef A. Patel	9,15,184
3.	Mr. Sandeep P. Parikh	100

F) The transfer of shares of the Company are processed by Share Transfer Agents i.e. Computronics Financial Services (India) Limited and are approved by the Share Transfer Committee. The Share Transfer Committee met 24 times during the year ended 31st March, 2013 and approved transfer of shares of the Company.

G) General Body Meetings

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

Year	Date	Time	Venue	No. of Special Resolutions passed
2012	28.09.2012	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	1
2011	28.09.2011	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	1
2010	28.09.2010	11.00 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.	1

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

H) Disclosures

- During the year ended 31st March, 2013, there were no transactions of material nature entered into by the Company with Promoters, Directors, their relatives or the Management etc. that has potential conflict with the interest of the Company.



- 2) There were no instances of non-compliances nor were any penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- 3) In terms of the requirements of Clause 49 (v) of the Listing Agreement, Mr. Areef Patel the Executive Vice-Chairman and Mr. Mahesh Ukidave Chief Financial Officer have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause.

I) Means of Communication

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

J) Subsidiary

During the year ended 31st March, 2013, the Company does not have any Subsidiary Company.

K) Code of conduct

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

L) General Shareholder Information

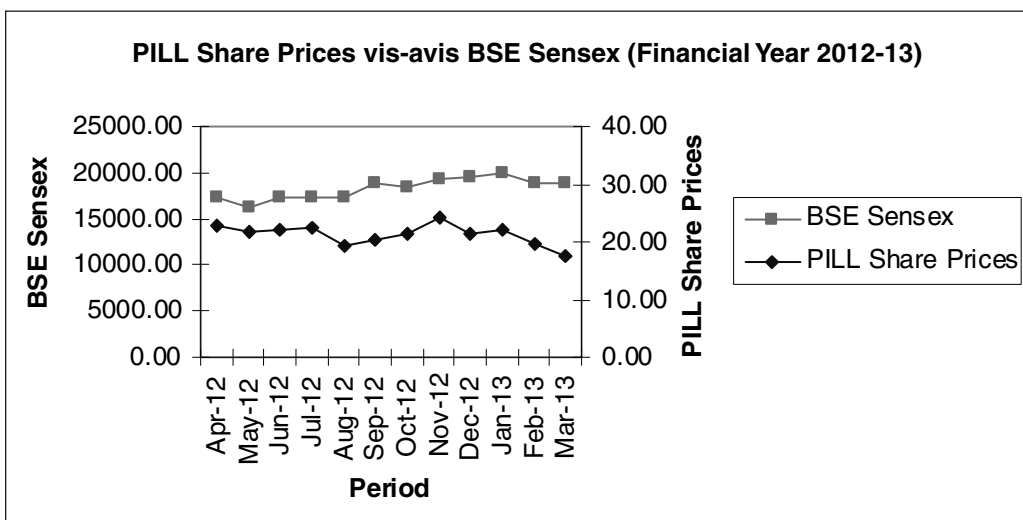
- 1) The Annual General Meeting of the Company for the year ended 31st March 2013 will be held on Wednesday, the 25th September 2013, at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (West), Mumbai – 400 049, at 11.00 a.m.
- 2) The Financial Year of the Company comprises of a twelve month period which commences on 1st April of every year and ends on 31st March of the immediately succeeding year. The Financial Year under consideration commenced on 1st April, 2012 and ended on 31st March, 2013.

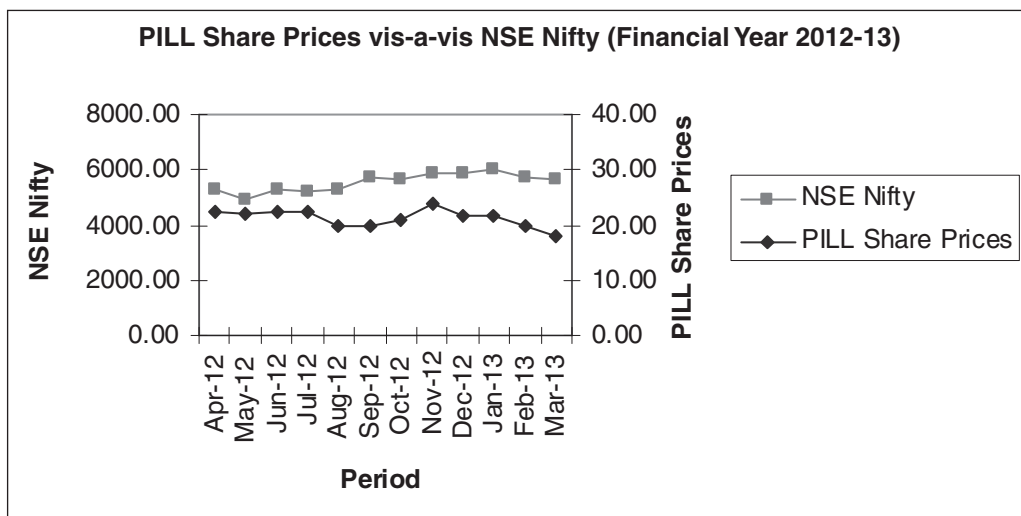
The Financial Calendar

Board Meeting for consideration of Annual Accounts	29 th May 2013.
Mailing of Annual Reports	By Last Week of August, 2013.
Book Closure Dates	18.09.2013 to 25.09.2013 (both days inclusive).
Day, Date, Time and venue of the Annual General Meeting	Wednesday, the 25 th September 2013 at 11.00a.m. at The Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.
Board Meetings for the consideration of Unaudited Financial Results for the next three quarters of the current accounting year	Within forty five days from the end of each quarter with Limited review Report as stipulated under the Listing Agreement with stock exchanges.

- 3) The Book Closure will be from 18th September 2013 to 25th September 2013 (both days inclusive).
- 4) Dividend for the year ended 31st March, 2013, if declared at the Annual General Meeting, will be paid within a period of 30 days, to the shareholders whose names appear on the Register of Members as at the date of the Annual General Meeting.
- 5) Equity Shares of the Company are listed on Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Ahmedabad Stock Exchange Limited, The Delhi Stock Exchange Association Limited, Madras Stock Exchange Limited and The Calcutta Stock Exchange Association Limited.
- 6) a) Scrip Code on the Bombay Stock Exchange Limited : 526381
b) Scrip ID on the National Stock Exchange of India Limited : PATINTLOG-EQ
- 7) ISIN (Security Code no. granted by Depositories) : INE529D01014
- 8) The monthly high and low quotations of shares traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited are as follows:

MONTH	BOMBAY STOCK EXCHANGE (BSE) (In Rs. Per share)		NATIONAL STOCK EXCHANGE (NSE) (In Rs. Per share)	
	Monthly High	Monthly Low	Monthly High	Monthly Low
April 2012	28.00	21.55	27.90	21.20
May 2012	24.00	19.25	25.00	19.00
June 2012	27.00	19.40	27.00	19.75
July 2012	25.80	20.80	25.00	20.80
August 2012	22.50	16.65	23.00	16.40
September 2012	22.90	17.00	23.15	18.00
October 2012	22.90	19.65	23.90	19.60
November 2012	25.40	19.90	25.90	19.80
December 2012	26.00	20.55	25.60	21.00
January 2013	25.90	21.20	25.40	21.30
February 2013	23.15	19.70	23.00	18.50
March 2013	20.85	15.55	22.25	16.25





9) Registrars and Share Transfer Agents (STA)

During the year ended 31st March 2013, the Share Transfer work of the Company was being looked after by Computronics Financial Services (India) Ltd. (STA) having office at No. 1 Mittal Chambers, Nariman Point, Mumbai – 400 021. The STA have the necessary infrastructure to carry out share transfer work for shares in physical as well as in dematerialized form including the necessary connectivity with depositories. The STA also accepts and deals with investors' complaints.

However the Company is under the process of appointing M/s Bigshare Services Private Limited as the new Share Transfer Agents of the Company, situated at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072. and the shareholders will be suitably informed in this regard as and when such appointment will be made.

10) Share Transfer System

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

11) Distribution of Shareholding as on 31st March 2013

NO.OF SHARES	NO.OF SHARE HOLDERS	% OF SHARE HOLDERS	SHARE HOLDING	% OF SHARES HELD
Up to 500	13,394	89.77	19,31,429	12.71
501-1000	746	5.00	6,13,625	4.04
1001-2000	365	2.45	5,49,304	3.62
2001-3000	118	0.79	2,99,923	1.98
3001-4000	58	0.38	2,13,609	1.40
4001-5000	48	0.32	2,24,717	1.48
5001-10000	94	0.63	6,94,894	4.58
10001 and above	98	0.66	1,06,59,111	70.19
TOTAL	14,921	100.00	1,51,86,612	100.00

12) Shareholding Pattern of the Company as on 31st March 2013

CATEGORY	NO.OF SHARES HELD	% SHARE HOLDING
Promoters' Holding (including Indian and NRI Promoters and Group Companies)	69,47,583	45.75
Mutual Funds	9,205	0.06
Corporate Bodies (other than Group Companies)	23,55,541	15.51
Indian Public	54,21,994	35.70
Non-Resident Indians (other than Promoters)	4,50,716	2.97
Others-Clearing Members/ Market Maker	1,573	0.01
TOTAL	1,51,86,612	100.00

13) Details of unclaimed shares

In terms of clause 5All of the Listing Agreement, there are no unclaimed share certificates as on 31st March 2013.

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

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

15) Details of Dematerialisation of shares

As on 31st March, 2013, 92.60% of the Company's total Shares representing 1,40,62,765 Equity Shares were held in dematerialized form and balance 7.40% representing 11,23,847 Equity Shares were held in physical (paper) form.

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

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

17) Information for Communication

a) Registered Office:

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

b) Registrars & Share Transfer Agents:

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



c) Depositories:

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

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

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

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

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

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

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

All Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2013.

Areef A. Patel
Executive Vice Chairman

Mumbai, 29th May 2013

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

We have examined the compliance of corporate governance by Patel Integrated Logistics Limited for the year ended 31st March, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

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

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

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

For M S P & CO.
CHARTERED ACCOUNTANTS

M.S. PARIKH
Partner
Membership No.08684

Mumbai.
Dated : 29th May 2013



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

Economic Scenario

The Financial Year 2012-13 was a challenging year for the global economy as well as Indian economy. India was affected by what happened in the rest of the world and our economy too has slowed after 2010-11. The GDP Growth rate of Indian economy has slowed to 5.0 per cent in the year 2012-13 which is the slowest pace in a last decade and well below India's potential growth rate of 8 percent. The slow down was reflected in all sectors of the economy but the industrial sector suffered sharpest decline in the growth rate. Even then, of the large countries of the world, only China and Indonesia are growing faster than India in 2012-13.

The rising food inflation, high fiscal deficit, current account deficit, tight monetary policies are some of the constraints to the growth rate that Indian economy is facing throughout the year. Various policy measures are undertaken by the Government including liberalization of FDI in retail and aviation, deferment of General Anti-Avoidance Rules (GAAR), reduction in withholding tax on overseas borrowings by domestic companies, measures such as progressive deregulation of administered fuel prices etc. which could possibly help to stabilize the macroeconomic conditions and return the economy to its high growth trajectory.

India's service sector growth has slowed, though the sector is still growing at a much higher rate than other sectors of the economy. The Indian transportation and logistics industry is poised at a crossroads along its growth trajectory. This is particularly important at this juncture in light of the ongoing global economic uncertainty that has been impacting the Indian market to an extent. However, driven by strong fundamentals and consistent domestic demand, the resilient Indian economy in general and, the logistics sector in particular, are seemingly well-positioned to sail through turbulent global waters.

Company's Business in brief:

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

- Surface Transport
- Door Pick-up and Door Delivery
- On-Board Couriers
- Domestic Cargo Consolidation
- International Freight Forwarding
- International Courier Consolidation
- Warehousing

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

(A) PATEL ROADWAYS

This division of the Company undertakes the conventional transportation of goods including part and full truck load. It involves point-to-point movement of cargo in a single trip in truck loads of various capacities ranging from 5-25 tons. It also includes movement of specially containerized goods. Over the years this division mastered the art and has earned the reputation of offering the finest services with strict adherence to delivery schedules.

Industry overview:

The economic growth of a country always has a co-relation with The Road Freight Transport Industry. The Structure of the road freight transport industry in India is highly fragmented due to large number of operators. The Industry is highly competitive due to the presence of large number of small players in the industry.

The profitability of the industry largely depends upon factors like fuel cost, freight rates, vehicle utilization, vehicle mix, broker commission, government policies etc. The profitability of the industry is also affected due to increased costs on account of poor road conditions and toll charges and lack of improved infrastructural development in the country.

Opportunities & Threats:

The Roadways business has its Market dynamics due to multiple factors, particularly rising domestic consumption which leads to distinguishing advantage to the business, of last-mile connectivity which has been driving the emergence of multiple tier-II cities and penetration in rural markets. The proposed abolition of Octroi in Mumbai and Maharashtra would again make the In & Out flow of the material feasible.

The impending change in the Indian tax system from the current state-level Value Added Tax (VAT) to a national and uniform Goods and Services tax (GST) should help to create a national market for many goods and services as the trade boundaries between states will not exist and companies can consolidate their supply chains.

With a liberalization in policies, India is trying to develop as a global outsourcing hub. The opening up of key sectors like retail, aviation to multinational companies could be the other growth drivers as it would bring with it new market opportunities to this sector. With the development of use of EDI (electronic data interchange) and IT (information technology) in the transport industry, the operational efficiency will also improve.

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

Still, the industry is vulnerable to certain threats. As road transportation is a low-margin business, the unfavorable trend of rising fuel prices (estimated to constitute 50–60 percent of total transportation expenditure) over the last 5 years critically affects operating profitability. The entry of new players in the industry has also made the business extremely competitive.

The risk involved in road transport is very high and vehicles moving with high value goods are always under threat of thefts and pilferages and the incidences of missing vehicles are also increasing inspite of VTS being in place.

Outlook:

The transportation market in India is expected to continue offering significant opportunities to all concerned stakeholders. While the quality of road infrastructure is certainly to improve, the pace of infrastructure development is critical to minimize losses, both economic and environmental.

The outlook for Road Freight Transport Sector largely depends upon infrastructural facilities available in the country. Not only the demand for road connectivity been rising, but also focus on improving basic road infrastructure as well as technology adoption has increased in recent years. The number of expressways and highways have increased; many roads have been widened; electronic toll collection is becoming increasingly common; the 'green channel' concept is gaining ground, and inter-state check posts are becoming automated. Other examples of key progressive measures include the development of Indian Road Transportation Exchange (IRTEX) and gradual fleet modernization. Thus, against the backdrop of positive initiatives led by industry stakeholders, the industry, as a whole, needs to continue tapping the advantages of road transportation more efficiently and optimally than ever before.

Risks & Concerns:

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

(B) PATEL RETAIL

This division of the Company provides Premium Door-to-Door Express Cargo Service to over 250 branches serving more than 400 delivery stations, covering the length and breadth of the Country.

Industry Overview:

Indian express industry is growing very fast although the size of the Indian express industry is miniscule when compared to the global express industry. However, the Express Cargo industry in India has been growing at a phenomenal rate of 35% and expected to grow more than double by 2014. The business of Express Cargo is carried on by using all three modes of cargo movement i.e. surface, air and rail. However, surface cargo movement constitutes the bulk of the express cargo movement. The industry is changing from hard freight to express cargo with door delivery facility. With the increase in modern trade and malls in the newly developing cities across India demand for products are increasing and this is giving growth boost in Retail growth.



Opportunities & threats:

The Indian express industry is expected to grow at an impressive rate over the next few years. Moreover, with India being recognized as an outsourcing destination, manufacturing sectors like textiles, automobiles and pharmaceuticals, IT peripherals are likely to witness increased activities in medium to long term. In order to maintain its competitiveness, companies operating in these industries are expected to outsource their logistics requirements to third party logistics service provider (3PL) and concentrate on their core-competency of manufacturing.

There are extra ordinary opportunities in this business. Using strength of our existing infrastructure of nearly 350 branches / offices / hubs, VTS scheduled vehicles, Centralised Delivery System and manpower, our Company has already started expanding its activities in this lucrative sector.

Express industry is undergoing phenomenal growth due to the rising popularity of e-commerce. Low volume, high value tiny packages from traditional cargo to express mode is the up-coming trend. Keeping this in view, there is lot of scope for the express industry to flourish in India.

Challenges faced by the industry include new players entering this industry and becoming more and more competitive. The other challenges includes matching upto the rising expectations of the customer, expanding the network to reach hitherto uncovered areas, containing rising fuel and freight costs and retention of manpower.

Outlook:

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

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

Risk & concerns:

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

(C) POBC AND PATEL AIRFREIGHT DOMESTIC

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

Industry overview:

The year 2012-13 was not very encouraging in terms of growth. The industry overview is not very promising and satisfactory either. The logistics industry has a direct relationship with the global business activities and thus the cargo industry was affected by the turbulent global economic scenario.

The political uncertainties and resultant delays in policy implementations have also affected the overall growth of the economy leading to delays in development of air cargo industry. No doubt the E commerce has been the only face saver which has been able to give good volumes to the Cargo industry.

We do not foresee any significant changes in the year 2013-14, except for positive business outlook and a hope that the Indian economy will grow at better pace than the last year. With the improving technological advancements, the Air Cargo Industry is set to achieve a lot of business dynamism.

Opportunities & Threats:

The Air Cargo Market in India largely depends upon Economic Development in the country and Rising International Trade. The recent past has witnessed a phenomenal demand for Air Cargo Transport as product life cycle have become shorter and demand for speedy delivery has increased. Air Cargo logistics business has been benefited from innovative and changing business models such as Just In Time manufacturing and global outsourcing.

The positive development of E Commerce and emergence of Just – In – Time concept across the world, the Indian cargo market has been anticipating a rapid growth of Domestic Air Cargo Logistics business.

With the opening of the Aviation sector to the foreign players under FDI, and initiatives like setting up of the Cargo service centres and improvement of airports in the tier II cities of the country, the industry will see a rapid growth and global best practices in the years to come.

The Threats to the industry are the constantly rising OIL prices and heavy competition in the Industry. Due to these factors profit margins might not increase in the same proportion of business volumes.

Outlook:

The Economy of India is set to accelerate in 2013-14 backed by favorable external sector demand outlook and a pickup in the domestic reforms like liberalization of FDI in retail, and aviation etc.

The outlook of Air Cargo industry in the coming years is encouraging as it has a great potential to grow further. We believe that with the growth in the E Commerce industry and overall demand for industrial products in the current year, our business will see tremendous growth.

Risks & Concerns:

The bottlenecks emerging out of lack of best Infrastructure facilities in India is one of the major constraints that the industry faces today. The depreciation of the rupee combined with the arbitrary increased of fuel surcharges by the airlines has made the existence in domestic air cargo market very tough. The rupee depreciation at the current level resulted in high oil prices leading to hike in ATF prices which will again increase the FSC of the airlines hitting the bottom-line of the industry as a whole .

(D) POBC INTERNATIONAL

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

Industry Overview

The Industry Overview is somewhat similar to that of POBC Domestic, as it is part of the same Industry. The main difference however is that POBC Domestic Consolidates both Courier & Cargo Loads in the Domestic Market, whereas POBC International Consolidates only International Courier Loads. There are therefore several factors which are different.

Opportunities and Threats

Customers are moving to cheaper forms of consignments, and with less standard offering which is stealing our business, the pressures will not ease us anytime soon. In fact, revenues are 5% lower today than three years ago, resulting in decline in revenue per consignment.

Customers are enticed by cheaper yet decent quality offerings for standard domestic and international consignment, drawing them away from express shipping. Many businesses stopped using express services during the slowdown period and have not come back – the main reason for the overall decline in revenues.

Document consignment is stagnating in the era of emails or local letter services – a global phenomena, both domestically and internationally. Not surprisingly, much of the volume in document shipping has been replaced by email or local letter services.

Outlook

The overall outlook for this Business is Grim. The Customer Base has been Eroded, as large customers now deal directly with the airlines. The recent closure of some of the airlines also added concerns to the business.

Risks and Concerns

Pricing will remain as a challenge for the business as the distinctions between express service and standard service shipping blur. Although the express service guarantees a delivery date and time, many companies are offering express services only at standard prices. This further shrinks the market for us. Collection of Payments in time is also a challenge as Customers are demanding and getting extended credit facilities.

(E) PATEL AIRFREIGHT INTERNATIONAL

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

Industry Overview

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

Opportunities and Threats

Airline cargo businesses continue to face difficult conditions with demand for air freight falling in the last quarter of the year, and oil prices remaining high. There is depressed demand in the European countries for air-freighted



commodities including semi-conductor shipments. Furthermore, capital investment intentions by Japanese and UK companies remain weak.

Despite the challenging aspects described above, there were some positive indications in the demand backdrop.

There is still no sign of an inventory overhang. The Consumer confidence in the European countries has improved over the last few months, which could offset some of the downward pressure on demand coming from Europe.

Being part of the Aviation Industry and the Freight Forwarding Community, we are obviously affected by the issues concerning this trade, such as increasing Aviation fuel costs and additional costs towards Security Measures, which are constantly being added/ enhanced. Stiff Competition in the market leading to low yields, congestion at the Air Cargo Terminals due to inadequate infrastructure, delays in customs clearance due to technology upgradation issues are some of the other challenges that we face.

Outlook

With the emerging Indian Economy and India's share of World Trade increasing, the outlook for India's Air Exports appears to be good. We expect cargo volumes to improve in the current year as compared with the year 2012-13, which is in line with expectations for economic growth and increased share of world trade.

Risks and Concerns

The international air cargo industry is struggling under the weight of an issue of overcapacity. Its nature largely international, air freight has encountered severe headwinds as the eurozone fiscal crisis and middling economic recovery in the U.S. put pressure on demand for exports out of Asia, especially China and India. With shippers putting over more emphasis on cost-cutting, more traditional airborne products are shifting to other modes of transportation. The exceptions, of course, are high-value products such as Apple iPhones and iPads that tend to create temporary spikes in volume and underpin the industry.

Human Resource Management:

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

The management firmly believes that the 'people' are the driving force behind the growth of every organization and continues to focus on people development by leveraging technology and encouraging them to attend courses and educational programs to develop their core area of competence. Sourcing the right candidates, engagement, development and retention of intellectual capital is a vital management exercise. Our human capital constitutes a judicious mix of youth, imagination, risk-taking ability and seasoned experience.

The Company have always held the view that recognizing and rewarding excellence is essential for having a totally committed, dedicated and "charged" work force.

The Company continues to enjoy peaceful and harmonious relations with all its employees through several proactive measures during the year. The Company employed 1037 people as on 31st March 2013.

Internal Control System:

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

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

Financial performance and segment-wise performance:

The discussion on the financial performance of the Company is covered in the Directors' Report. The segment-wise performance is available in note 34 of the notes forming part of the Accounts for the year under consideration.

Cautionary Statement:

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

Secretarial Audit Report

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

I have examined the registers, records and documents of Patel Integrated Logistics Limited ("the Company") for the financial year ended on March 31, 2013 according to the provisions of –

- The Companies Act, 1956 and the Rules made under that act;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - 1) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 2) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - 3) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Equity Listing Agreements with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
 - 1. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company, I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the Rules made under the Act and the Memorandum and Articles of Association of the Company, with regard to:
 - a) Maintenance of various statutory registers and documents and making necessary entries therein;
 - b) Closure of the Register of Members;
 - c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and Central Government;
 - d) Service of documents by the Company on its Members;
 - e) Notice of Board meetings and Committee meetings of Directors;
 - f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - g) The 50th Annual General Meeting held on 28th September 2012;
 - h) Minutes of proceedings of General Meetings and of Board and its Committee meetings;
 - i) Approvals of the Members, the Board of Directors, the Committees of Directors and government authorities, wherever required;
 - j) Constitution of the Board of Directors / Committee(s) of Directors and appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
 - k) Payment of remuneration to the directors including the Managing Director and Whole-time Directors;
 - l) Appointment and remuneration of Auditors;



- m) Transfers and transmissions of the Company's shares, issue and allotment of shares and issue and delivery of original and duplicate certificates of shares;
 - n) Payment of interest on fixed deposits and repayment / renewal of fixed deposits;
 - o) Declaration and payment of dividends;
 - p) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund;
 - q) Borrowings and registration, modification and satisfaction of charges;
 - r) Investment of the Company's funds including inter corporate loans and investments and loans to others;
 - s) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in revised Schedule VI to the Act;
 - t) Board's report, Corporate Governance Report Management Discussion and Analysis;
 - u) Contracts, common seal, registered office and publication of name of the Company; and
 - v) Generally, all other applicable provisions of the Act and the Rules made under that Act.
- 2 I further report that:
- (a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings debenture holdings and directorships in other companies and interests in other entities;
 - (b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel;
 - (c) the Company has obtained all necessary approvals under the various provisions of the Act; and
 - (d) there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- 3 I further report that:
- (a) the Company has complied with the requirements under the Equity Listing Agreements entered into with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited;
 - (b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
 - (c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;

Dinesh Kumar Deora
Practising Company Secretary
Membership No. FCS 5683 COP No. 4119

Place: Mumbai
Date: 29th May, 2013

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Patel Integrated Logistics Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of **Patel Integrated Logistics Limited**, which comprise of Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- b. in the case of the Profit and Loss Statement, of the Profit for the year ended on that date;
- and
- c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **M S P & CO.**

Chartered Accountants

(FRN. 107565W)

M. S. Parikh

(Partner)

(Membership No. 08684)

Place: Mumbai,

Date: 29th May, 2013



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Patel Integrated Logistics Limited on the accounts of the company for the year ended 31st March, 2013.

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

- (I) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) We have been informed that the Company has put in place a policy of physical verification of fixed Assets in a phased manner to cover all the Fixed Assets in the span of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The Fixed Assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (II) In respect of inventory of stores, operating supplies, etc.:

In view of there being no requirement to carry and hold any stock of inventories, therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (III)
 - (a) According to the information and explanation given to us and on the basis of our examination the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956, therefore, the provision of this clause III (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 - (e) The Companies has taken unsecured loan from two companies listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs.1,76,00,000/- (2 Companies) and the year end balance of loan taken from such company is Rs.1,15,00,000/- (1 Company).
 - (f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions are prima-facie not prejudicial to the interest of the company.
 - (g) The principal amounts are been repaid as per the repayment schedule and interest outstanding if any at the year end has been added to the loan amount in the financial statement.
- (IV) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the internal control system.\
- (V) In respect of contracts or arrangement entered in the Register maintained in pursuance of section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us;
 - (a) The transactions made in pursuance of contracts or arrangements that are required to be entered in the Register maintained under Section 301 of the Companies Act, 1956, have been duly entered by the Company.
 - (b) In our opinion, the transactions in pursuance of contracts or arrangements that are required to be entered in the Register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 500,000/- (Rupees Five Lacs Only) or more in respect of any party during the year, the rates are considered to be reasonable having regard to the prevailing market price at the relevant time.
- (VI) In our opinion and according to the explanations given to us, the Company has complied with the provision of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 and the Directives issued by the Reserve Bank of India with regards to the deposits accepted from the public. According to the information and explanation given to us, no order under the aforesaid sections has been passed by the Company Law Board on the Company.

- (VII) In our opinion, the Company has an in house internal audit system and it has also assigned internal audit through independent firm of Chartered Accountants which is commensurate with the size and nature of Company's business.
- (VIII) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of any of the activities of the Company.
- (IX) (a) In our opinion and according to the explanations given to us, the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- (X) The Company has no accumulated loss as at 31st March, 2013 and has not incurred cash losses in the financial year covered under audit and in the immediately preceding financial year.
- (XI) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions.
- (XII) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (XIII) The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (XIV) In our opinion and according to information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (XV) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (XVI) In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which the same were obtained.
- (XVII) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, no funds have been raised on short term basis, which are used during the year for long term investment and vice versa.
- (XVIII) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 during the year. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (XIX) In our opinion and according to the information and explanations given to us, the Company has not issued any debentures.
- (XX) The Company has not raised any money by public issue during the year.
- (XXI) To the best of our knowledge and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company nor have we been informed of any such case by the management.

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

M. S. Parikh
(Partner)
(Membership No. 08684)
Place: Mumbai,
Date: 29th May, 2013



BALANCE SHEET AS AT 31ST MARCH, 2013

	Note	Rupees	As At 31.03.2013 Rupees	As at 31.03.2012 Rupees
EQUITY AND LIABILITIES				
Shareholders' funds				
Share Capital	2	15,18,66,120		15,18,66,120
Reserves and surplus	3	74,17,52,294	89,36,18,414	72,65,08,141
				87,83,74,261
Non - Current Liabilities				
Long Term Borrowings	4	10,39,51,957		10,44,35,306
Deferred Tax Liability (Net)	5	4,85,33,076		4,94,43,171
Other Long Term Liabilities	6	8,34,56,602	23,59,41,635	8,53,37,209
				23,92,15,686
Current Liabilities				
Short Term Borrowings	7	32,50,71,220		28,81,97,387
Trade Payables	8	20,85,96,769		17,43,68,722
Other Current Liabilities	9	20,90,17,683		15,06,25,240
Short Term Provisions	10	9,54,40,145	83,81,25,817	9,04,10,082
				70,36,01,431
TOTAL			1,96,76,85,866	1,82,11,91,378
ASSETS				
Non - Current Assets				
Fixed Assets				
Tangible Assets	11	50,62,70,263		47,86,05,613
Intangible Assets	11	25,27,512		38,29,016
Capital Work-in-Progress	11	38,91,588	51,26,89,363	28,41,588
				48,52,76,217
Non - Current Investment	12	1,71,96,596		3,23,78,744
Long Term Loans and Advances	13	8,93,28,424	10,65,25,020	9,15,02,843
				12,38,81,587
Current Assets				
Trade Receivable	14	91,62,38,063		83,68,61,635
Cash and Cash Equivalents	15	17,24,07,245		15,94,06,851
Short Term Loans and Advances	16	25,64,30,299		21,24,77,802
Other Current Assets	17	33,95,876	1,34,84,71,483	32,87,286
				1,21,20,33,574
TOTAL			1,96,76,85,866	1,82,11,91,378
Significant Accounting Policies	1			
Notes on Financial Statements	2 - 38			

As per our report of even date
For **M S P & Co.**
Chartered Accountants

For and on behalf of the Board,

M. S. Parikh
Partner
Membership No. 08684

A. S. PATEL
Chairman

A. A. PATEL
Executive Vice Chairman

Mumbai,
Dated : 29th May, 2013

P. S. G. NAIR
Director

M. L. UKIDAVE
Chief Financial Officer

N. B. AKOLKAR
Company Secretary

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Note	For the Year 2012-13 Rupees	For the Year 2011-12 Rupees
INCOME			
Revenue from Operations	18	5,09,85,83,008	4,52,44,77,316
Other Income	19	92,43,365	1,38,27,451
Total Revenue		5,10,78,26,373	4,53,83,04,767
EXPENSES			
Operating cost	20	4,43,95,52,645	3,90,94,04,310
Employee Benefits Expense	21	26,38,52,873	24,47,21,571
Finance costs	22	9,18,94,256	7,41,80,598
Depreciation and Amortisation Expense	11	4,93,09,157	4,27,26,809
Other Expenses	23	22,46,99,588	21,74,40,695
Total Expenses		5,06,93,08,519	4,48,84,73,983
Profit Before Tax		3,85,17,854	4,98,30,784
Tax Expense			
Current Tax		1,53,00,000	1,90,00,000
Deferred Tax		(9,10,095)	(12,04,981)
(Excess) / Short Provision of Income Tax for earlier years		-	52,08,830
Profit for the year		2,41,27,949	2,68,26,935
Earning per Equity Share of face value of Rs. 10/- each			
Basic and Diluted (in Rs.)	24	1.59	1.77
Significant Accounting Policies	1		
Notes on Financial Statements	2 - 38		

As per our report of even date
For **M S P & Co.**
Chartered Accountants

For and on behalf of the Board,

M. S. Parikh
Partner
Membership No. 08684

A. S. PATEL
Chairman

A. A. PATEL
Executive Vice Chairman

Mumbai,
Dated : 29th May, 2013

P. S. G. NAIR
Director

M. L. UKIDAVE
Chief Financial Officer

N. B. AKOLKAR
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Year Ended 31.03.2013 Rupees	Year Ended 31.03.2012 Rupees
A: CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax as per Profit and Loss Account	3,85,17,854	4,98,30,784
Adjusted For :		
Loss on Sale / Discard of Assets (Net)	18,36,307	7,41,881
Depreciation	4,93,09,157	4,27,26,809
(Net gain) / Loss on Sale of Investments	16,60,647	26,41,102
Dividend Income	(4,41,653)	(6,65,330)
Interest Income	(51,93,747)	(90,84,358)
Finance Cost	9,18,94,256	7,41,80,598
	<u>13,90,64,967</u>	<u>11,05,40,702</u>
Operating Profit Before Working Capital Changes	17,75,82,821	16,03,71,486
Adjusted For :		
Trade and Other Receivables	(8,81,99,900)	(8,37,40,757)
Trade and Other Payables	5,79,70,828	(1,88,06,394)
	<u>(3,02,29,072)</u>	<u>(10,25,47,151)</u>
Cash Generated from Operations	14,73,53,749	5,78,24,335
Taxes Received (Paid) (Net)	(3,30,85,609)	3,99,65,255
	<u>(3,30,85,609)</u>	<u>3,99,65,255</u>
Net Cash from Operating Activities	<u>11,42,68,140</u>	<u>9,77,89,590</u>
B: CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(8,10,52,110)	(7,22,76,353)
Sale of Fixed Assets	35,43,500	31,89,430
Sale of Investment	1,35,21,502	56,72,184
Movement in Fixed Deposits (Net)	64,94,264	48,03,801
Increase in Capital Work in Progress	(10,50,000)	(4,25,000)
Interest Received	50,85,157	1,26,62,033
Dividend Received	4,41,653	6,65,330
Net Cash (used in) Investing Activities	<u>(5,30,16,034)</u>	<u>(4,57,08,575)</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

C: CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from Public Deposits (Net)	1,76,00,000	97,25,000
Proceeds from reissue of forfeited shares	-	28,94,400
Proceeds from Long Term Borrowings (Net)	1,91,03,139	4,60,902
Repayment of Long Term Borrowings	(61,00,000)	-
Short Term Borrowings (net)	4,04,70,681	1,44,12,309
Interest Paid	(9,16,50,958)	(7,30,63,432)
Dividend Paid	(2,11,80,312)	(1,75,25,670)
Net Cash (used in) / from Financing Activities	(4,17,57,449)	(6,30,96,491)
Net Increase in Cash and Cash Equivalents	1,94,94,657	(1,10,15,474)
Opening Balance of Cash and Cash Equivalents	12,16,24,047	13,26,39,521
Closing Balance of Cash and Cash Equivalents	14,11,18,704	12,16,24,047

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

As per our report of even date
For **M S P & Co.**
Chartered Accountants

For and on behalf of the Board,

M. S. Parikh
Partner
Membership No. 08684

A. S. PATEL
Chairman

A. A. PATEL
Executive Vice Chairman

Mumbai,
Dated : 29th May, 2013

P. S. G. NAIR
Director

M. L. UKIDAVE
Chief Financial Officer

N. B. AKOLKAR
Company Secretary



Notes on Financial Statements for the Year Ended 31st March, 2013

1. Significant Accounting Policies

a. Basis for preparation of Financial Statements:

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

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

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

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

b. Fixed Assets and Depreciation:

i. All fixed assets are stated at cost of acquisition which includes amounts added on revaluation, less accumulated depreciation and impairment losses.

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

iii. Depreciation / Amortisation

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

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

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

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

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

c. Impairment of Assets:

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

d. Investments:

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

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

iii. Profit / Loss on sale of Non – Current Investments is computed on FIFO basis.

Notes on Financial Statements for the Year Ended 31st March, 2013

e. Policy For Revenue Recognition:

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

f. Retirement Benefits (Staff Benefits):

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

g. Foreign Currency Transactions:

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

h. Taxes on Income:

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

i. Provision and contingencies:

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



Notes on Financial Statements for the Year Ended 31st March, 2013

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
2 SHARE CAPITAL		
Authorised Share Capital		
2,00,00,000 Equity Share of Rs. 10/- each (2,00,00,000)	20,00,00,000	20,00,00,000
	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid Up :		
1,51,86,612 Equity Shares of Rs. 10/- each paid up value (1,51,86,612)	15,18,66,120	15,12,41,620
Less : Amount paid-up on 1,07,200 forfeited equity shares transferred to Capital Reserve	-	4,47,500
Add : Nil forfeited equity share reissue (1,07,200)	-	10,72,000
TOTAL	15,18,66,120	15,18,66,120

2.1 During the year 2011-12, 1,07,200 forfeited equity shares of Rs.10/- each at the premium of Rs.17/- each were reissued on preferential basis on 3rd November, 2011. The pricing was in accordance with guidelines prescribed by SEBI (ICDR) Regulations 2009 for Preferential Allotment.

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

Particulars	As At 31.03.2013 No. of Shares	As At 31.03.2012 No. of Shares
Equity Shares at the beginning of the year fully paid up	1,51,86,612	1,50,79,412
Add : Forfeited shares re-issued	-	1,07,200
Equity Shares at the end of the year	1,51,86,612	1,51,86,612

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

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

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

Name of the Shareholders	As At 31.03.2013		As At 31.03.2012	
	No. of Shares	% held	No. of Shares	% held
Patel Holdings Limited	30,25,667	19.92	30,25,667	19.92
A. S. Patel Trust	13,71,500	9.03	13,71,500	9.03
Mr. Asgar S. Patel	10,65,879	7.02	10,65,879	7.02
Mr. Areef A. Patel	9,15,184	6.03	5,53,274	3.64

Notes on Financial Statements for the Year Ended 31st March, 2013

	Rupees	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
3 RESERVES AND SURPLUS			
Capital Reserve			
As per last Balance Sheet	1,27,33,553		1,22,86,053
Add : Capital Profit on reissue of forfeited shares	-		4,47,500
		1,27,33,553	1,27,33,553
Capital Redemption Reserve		18,60,000	18,60,000
Securities Premium Reserve			
As per last Balance Sheet	24,65,75,337		24,47,52,937
Add : Premium on Reissue of forfeited shares	-		18,22,400
		24,65,75,337	24,65,75,337
General Reserve			
As per last Balance Sheet	36,78,23,518		34,78,23,518
Add : Transferred from Profit and Loss Account	2,00,00,000		2,00,00,000
		38,78,23,518	36,78,23,518
Other Reserve			
Contingency Reserve (To meet contingencies)		3,00,00,000	-
Profit and Loss Account			
As per last Balance Sheet	9,75,15,733		11,18,69,110
Add : Profit for the year	2,41,27,949		2,68,26,935
	12,16,43,682		13,86,96,045
Less : Appropriations			
Transferred to General Reserve	2,00,00,000		2,00,00,000
Transferred to Contingency Reserve	3,00,00,000		-
Proposed Dividend on Equity Shares (Dividend per share Rs. 0.50 (Previous Year Rs. 1.20)	75,93,306		1,82,23,934
Tax on Dividend	12,90,490		29,56,378
		6,27,59,886	9,75,15,733
TOTAL		74,17,52,294	72,65,08,141

	As At 31.03.2013		As At 31.03.2012	
	Non Current Rupees	Current Rupees	Non Current Rupees	Current Rupees
4 LONG TERM BORROWINGS				
Secured				
Deferred Payment Liabilities	3,38,33,264	3,24,60,462	3,58,42,306	2,31,42,594
Term Loan	87,70,693	5,20,467	-	-
	4,26,03,957	3,29,80,929	3,58,42,306	2,31,42,594
Unsecured				
Loans and advances from Related Parties	-	1,17,94,313	-	61,00,000
Deposit accepted from public	6,13,48,000	4,51,82,000	6,85,93,000	2,03,37,000
	6,13,48,000	5,69,76,313	6,85,93,000	2,64,37,000
TOTAL	10,39,51,957	8,99,57,242	10,44,35,306	4,95,79,594

- 4.1** Deferred payment liabilities referred above are secured by way of mortgage of trucks and motor cars for which EMI's are still outstanding.



Notes on Financial Statements for the Year Ended 31st March, 2013

4.2 Term loan liability referred above is secured by office building for which EMI's are still outstanding.

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

	1 - 2 Years	2 - 3 Years	3 - 4 Years	Beyond 4 Years
Term loan	5,98,195	6,87,530	7,90,208	66,94,760
			As at 31.03.2013 Rupees	As at 31.03.2012 Rupees

5 DEFERRED TAX LIABILITY (NET)

Deferred Tax Liability

Related to Fixed Assets		5,01,58,475	4,94,43,171
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Deferred Tax Assets

Disallowances under the Income Tax Act, 1961		16,25,399	-
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TOTAL

4,85,33,076	4,94,43,171
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As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
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6 OTHER LONG TERM LIABILITIES

Deposits*	2,57,68,666	2,68,62,498
Liabilities for claims	5,76,87,936	5,84,74,711

TOTAL

8,34,56,602	8,53,37,209
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* Deposits include deposits from Transporters, Customers, Franchisees and Godown deposits

As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
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7 SHORT TERM BORROWINGS

Secured - Loans repayable on demand

Working Capital Loans From Banks	31,17,74,473	28,20,97,387
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Unsecured

Working Capital Loans From Banks	15,02,434	-
Loans and advances from Related Parties (Including interest thereon Rs. 2,94,313/- [Previous Year Rs. Nil])	1,17,94,313	61,00,000

TOTAL

32,50,71,220	28,81,97,387
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7.1 Overdraft and cash credit facilities from banks :

Secured by :

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

Collateral Security -

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

- Equitable Mortgage of certain properties :

a) Situated at Mumbai

b) Owned by Associate situated at Mumbai.

Notes on Financial Statements for the Year Ended 31st March, 2013

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
8 TRADE PAYABLES		
Acceptances	14,95,00,000	12,56,50,000
Others	5,90,96,769	4,87,18,722
TOTAL	20,85,96,769	17,43,68,722

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

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
9 OTHER CURRENT LIABILITIES		
Current maturities of Public Deposits	4,40,24,000	1,91,21,000
Current maturities of deferred payment liabilities	3,24,60,462	2,31,42,594
Current maturities of term loan liabilities	5,20,467	-
Interest accrued but not due on public deposits	53,80,395	51,34,374
Unclaimed Dividend	40,63,155	36,60,093
Unclaimed matured deposits and interest accrued thereon	12,07,763	12,68,486
Creditors for Capital Expenditure	22,62,224	16,16,874
Other Payables		
Staff Advance	45,960	2,54,100
Statutory Liabilities	5,10,70,223	2,89,09,059
Staff Liabilities	2,05,00,263	2,38,52,576
Sundry Deposits	48,79,087	43,14,322
Overdrawn balance in current account with bank	41,46,729	7,19,669
Liabilities for claims	1,21,84,628	1,21,75,148
Other Payables*	2,62,72,327	2,64,56,945
	11,90,99,217	9,66,81,819
TOTAL	20,90,17,683	15,06,25,240

* Includes Agency payables, etc.

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
10 SHORT TERM PROVISIONS		
Provisions for Leave Encashment	1,68,19,376	1,46,61,797
Proposed Dividend	75,93,306	1,82,23,934
Tax on Dividend	12,90,490	29,56,378
Provision for Wealth Tax	2,19,000	3,50,000
Provision for Income Tax	6,95,17,973	5,42,17,973
TOTAL	9,54,40,145	9,04,10,082



Notes on Financial Statements for the Year Ended 31st March, 2013

(Amt. in Rs.)

11 FIXED ASSETS

Description	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01.04.2012	Additions / Adjustments	Deductions / Adjustments	As at 01.04.2012	For the Year	Deductions / Adjustments	As at 31.03.2013	As at 31.03.2012
Tangible Assets :								
Own Assets :								
Freehold Land	16,03,30,540	-	-	16,03,30,540	-	-	16,03,30,540	16,03,30,540
Leasehold Land	92,050	-	-	92,050	956	-	64,947	65,903
Buildings	12,89,01,350	-	-	12,89,01,350	21,01,059	-	10,51,83,659	10,72,84,718
Furniture and Fixtures	9,72,87,410	1,40,25,121	4,156	11,13,08,375	55,64,635	4,155	6,99,28,444	6,14,67,959
Computer	14,39,61,129	63,59,085	40,000	15,02,80,214	1,21,17,205	39,999	2,82,12,139	3,39,70,260
Office Equipment	4,24,04,279	66,80,642	80,505	4,90,04,416	21,06,643	35,325	2,46,22,702	2,00,93,883
Plant and Machinery	78,76,668	3,89,408	86,000	81,80,076	2,66,930	41,588	28,31,952	27,53,886
Truck	3,52,33,066	-	1,95,99,113	1,56,33,953	46,33,122	1,70,28,572	22,57,440	94,61,103
Vehicles	1,16,22,217	-	41,76,256	74,45,961	7,81,508	14,56,584	9,75,643	44,76,823
Sub - Total	62,77,08,709	2,74,54,256	2,39,86,030	63,11,76,935	2,75,72,058	1,86,06,223	39,44,07,466	39,99,05,075
Leased Assets :								
Buildings	-	1,34,70,000	-	1,34,70,000	1,75,047	-	1,32,94,953	-
Truck	8,04,63,211	3,51,51,011	-	11,56,14,222	1,67,14,575	-	7,74,62,344	5,90,25,908
Vehicles	2,67,22,273	40,20,245	-	3,07,42,518	25,89,375	-	2,11,05,500	1,96,74,630
Sub - Total	10,71,85,484	5,26,41,256	-	15,98,26,740	1,94,78,997	-	11,18,62,797	7,87,00,538
Total (A)	73,48,94,193	8,00,95,512	2,39,86,030	79,10,03,675	4,70,51,055	1,86,06,223	50,62,70,263	47,86,05,613
Intangible Assets :								
Licence Software	2,04,45,603	9,56,598	-	2,14,02,201	22,58,102	-	25,27,512	38,29,016
Total (B)	2,04,45,603	9,56,598	-	2,14,02,201	22,58,102	-	25,27,512	38,29,016
Total (A + B)	75,53,39,796	8,10,52,110	2,39,86,030	81,24,05,876	4,93,09,157	1,86,06,223	50,87,97,775	48,24,34,629
Previous Year	70,40,88,604	7,22,76,353	2,10,25,161	75,53,39,796	4,27,26,809	1,70,93,850	48,24,34,629	
Capital Work-in-Progress							38,91,588	28,41,588

Notes on Financial Statements for the Year Ended 31st March, 2013

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

11.2 In respect of fixed assets acquired on finance lease on or after 1st April, 2001, the minimum lease rental outstanding as on 31st Mar, 2013 are as follows

(Amt in Rs.)

Particulars	Total minimum lease payments outstanding As at 31st, March		Future interest on outstanding lease payments		Present value of minimum lease payments As at 31st, March	
	2013	2012	2013	2012	2013	2012
Within one year	3,75,67,958	2,76,31,076	51,07,496	44,88,482	3,24,60,462	2,31,42,594
Later than one year and not later than five years	3,61,64,731	3,97,58,818	23,31,467	39,16,512	3,38,33,264	3,58,42,306
Total	7,37,32,689	6,73,89,894	74,38,963	84,04,994	6,62,93,726	5,89,84,900

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

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

		As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
12 NON - CURRENT INVESTMENTS			
(Long Term Investments)			
Investments in Equity Shares			
Trade Quoted			
1000 Blue Dart Express Ltd. of Rs.10/- each		66,000	66,000
(1000) fully paid up			
20 Gati Ltd. of Rs.2/- each fully paid up		1,013	1,013
(20)			
		<u>67,013</u>	<u>67,013</u>



Notes on Financial Statements for the Year Ended 31st March, 2013

		As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Non Trade Quoted			
250 (250)	Pfizer Ltd. of Rs. 10/- each fully paid up	2,26,721	2,26,721
Nil (3003)	United Breweries (Holding) Ltd. of Rs. 10 /- each fully paid up	-	7,91,377
25500 (25500)	Hindustan Petroleum Corporation Ltd. of Rs.10/- each fully paid up	1,27,34,683	1,27,34,683
Nil (2100)	Kotak Mahindra Bank Ltd. of Rs.5/- each fully paid up	-	10,46,482
100 (100)	All Cargo Logistics Ltd. of Rs.2/- each fully paid up	16,993	16,993
20 (20)	Transport Corporation of India Ltd. of Rs.2/- each fully paid up	1,495	1,495
Nil (12250)	Reliance Industries Ltd. of Rs.10/- each fully paid up	-	1,00,63,490
700 (700)	Ganesh Benzo Plast Ltd of Rs.10/- each fully paid up	17,850	17,850
50 (50)	Ganesh Anhydride Ltd. of Rs.10/- each fully paid up	500	500
16200 (16200)	UTI Mastershares of Rs.10/- each fully paid up	1,96,166	1,96,166
Nil (4500)	Tata Steel Ltd. of Rs.10/- each fully paid up	-	32,80,799
2500 (2500)	Power Grid Corporation of India Ltd. of Rs.10/- each fully paid up	3,84,775	3,84,775
165000 (165000)	Wallstreet Finance Ltd. of Rs.10/- each fully paid up	34,10,000	34,10,000
		<u>1,69,89,183</u>	<u>3,21,71,331</u>
Non Trade Unquoted			
5000 (5000)	Shamrao Vithal Co-op Bank Ltd. of Rs. 25/- each fully paid up	1,25,000	1,25,000
50 (50)	NKGSB Co-op Bank Ltd of Rs.10/- each fully paid up	500	500
910 (910)	Shri Ambuja Petrochemicals Ltd of Rs.10/- each fully paid up	9,100	9,100
5 (5)	The Memon Co-Op. Bank Ltd of Rs.10/- each fully paid up	50	50
5 (5)	The Natasha Co-Op. Housing Society Ltd. of Rs. 50/- each fully paid up	250	250
		<u>1,34,900</u>	<u>1,34,900</u>
Investments in Preference Shares - Unquoted			
250 (250)	Cumulative Redeemable Preference Share of Shri Rayalseema Alkalies and Allies Chemicals of Rs. 10/- each fully paid up	2,500	2,500
		<u>2,500</u>	<u>2,500</u>

Notes on Financial Statements for the Year Ended 31st March, 2013

		As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Investments in Debentures - Unquoted			
40	Non Convertible Debenture of Ganesh Benzo	3,000	3,000
(40)	Plast Ltd of Rs.75/- each fully paid up		
		<u>3,000</u>	<u>3,000</u>
	TOTAL	<u>1,71,96,596</u>	<u>3,23,78,744</u>
Note			
	Aggregate book value of quoted investments	1,70,56,196	3,22,38,344
	Aggregate market value of quoted investments	1,22,89,921	2,59,37,033
	Aggregate book value of unquoted investments	1,40,400	1,40,400
		As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
13	LONG - TERM LOANS AND ADVANCES		
	(Unsecured Considered Good)		
	Property Deposit	4,64,37,167	4,84,06,490
	Earnest Money Deposit	6,84,467	6,40,110
	Other Deposits	1,11,09,496	1,14,61,493
	Other Loans and Advances (Including Inter Corporate Deposits)	3,10,97,294	3,09,94,750
	TOTAL	<u>8,93,28,424</u>	<u>9,15,02,843</u>
		As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
14	TRADE RECEIVABLE		
	Secured Considered Good		
	Over Six months	2,73,40,158	1,56,14,896
	Others	28,91,49,175	23,65,96,960
	Unsecured Considered Good		
	Over Six months	3,00,95,229	1,56,93,378
	Others	56,96,53,501	56,89,56,401
	TOTAL	<u>91,62,38,063</u>	<u>83,68,61,635</u>



Notes on Financial Statements for the Year Ended 31st March, 2013

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
15 CASH AND CASH EQUIVALENTS		
Balance with Banks		
In Current Accounts	10,01,11,838	8,26,31,576
In Dividend Account for Unclaimed Dividend	40,63,155	36,60,093
In Fixed Deposits	8,33,948	1,01,84,303
In Fixed Deposits (as margin money against bank guarantees/LC's)	2,44,38,839	2,41,79,729
In Fixed Deposits (as earmarked against public deposits)	60,15,753	34,18,772
Cash on Hand	1,55,62,726	1,55,70,803
Cheque in transit	2,13,80,986	1,97,61,575
TOTAL	17,24,07,245	15,94,06,851

* Fixed deposits with bank includes deposits of Rs. 1,72,84,993/- (Previous Year Rs. 2,40,66,985/-) with maturity of more than 12 months

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
16 SHORT - TERM LOANS AND ADVANCES (Unsecured and Considered Good)		
Prepaid Expenses	64,90,058	24,46,911
Staff Advances	72,59,296	67,29,383
Loans and Advances to Related Parties	-	15,89,024
Inter Corporate Deposit (Including interest thereon Rs. 3,67,458/- [Previous Year Rs. 12,58,264/-])	1,38,67,458	1,12,58,264
Advance Income Tax	17,77,20,112	14,47,65,503
Others*	5,10,93,375	4,56,88,717
TOTAL	25,64,30,299	21,24,77,802

* Include interest receivable, cenvat receivable, claim receivable, agent receivable and octroi advance.

16.1 Loans and Advances to Related Parties :

Name of the Company	Relationship	As At 31.03.2013 Rupees	As At 31.03.2012 Rupees
Wall Street Securities & Investment (India) Ltd.	Associate	-	80,208
One Capital Ltd.	Associate	-	15,08,816
Total		-	15,89,024

Notes on Financial Statements for the Year Ended 31st March, 2013

		As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
17	OTHER CURRENT ASSETS		
	Interest accrued on bank deposits	33,95,876	32,87,286
	TOTAL	33,95,876	32,87,286
		For the year 2012-13 Rupees	For the year 2011-12 Rupees
18	REVENUE FROM OPERATIONS		
	Sale of Services		
	Freight	1,84,49,28,235	1,67,34,40,602
	Co Loading and Cargo Income	3,25,36,54,773	2,85,10,36,714
	TOTAL	5,09,85,83,008	4,52,44,77,316
		For the year 2012-13 Rupees	For the year 2011-12 Rupees
19	OTHER INCOME		
	Interest Income	51,93,747	90,84,358
	Dividend Income	4,41,653	6,65,330
	Other Non Operating Income	36,07,965	40,77,763
	TOTAL	92,43,365	1,38,27,451
		For the year 2012-13 Rupees	For the year 2011-12 Rupees
20	OPERATING COST		
	Truck hire charges	1,13,23,59,135	1,04,14,84,898
	Truck operational expenses	11,83,17,816	10,27,43,721
	Truck repairs and maintainance expenses	1,76,75,262	1,47,56,829
	Diesel, oil and grease	9,53,08,661	7,74,89,814
	Taxes and permits	21,55,442	20,50,222
	Sundry airport expenses	1,76,87,067	1,87,69,104
	Line haul transportation expenses	5,34,20,337	7,03,16,170
	Cargo freight charges	2,66,51,56,778	2,25,48,37,142
	Handling charges	17,82,42,743	17,15,61,844
	Packing materials expenses	89,36,970	1,28,75,246
	Miscellaneous operating expenses	8,68,19,575	7,30,70,029
	Insurance	20,56,502	12,87,801
	Agency commission	5,37,85,714	6,26,87,080
	Claims for loss of goods (net of recoveries)	76,30,643	54,74,410
	TOTAL	4,43,95,52,645	3,90,94,04,310



Notes on Financial Statements for the Year Ended 31st March, 2013

	For the year 2012-13 Rupees	For the year 2011-12 Rupees
21 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	22,15,04,128	20,58,89,977
Contribution to Provident and Other Funds	2,47,09,235	2,28,21,665
Staff Welfare Expenses	1,76,39,510	1,60,09,929
TOTAL	26,38,52,873	24,47,21,571
21.1 Defined obligations - Disclosures as per Accounting Standard 15 (Revised) are as under,		
Gratuity	2012 - 13 Rupees	2011 - 12 Rupees
(A) Reconciliation of changes in present value of obligations		
At the beginning of the year	4,99,25,867	4,75,06,523
Current service cost	40,61,774	41,91,801
Interest Cost	39,94,069	38,00,522
Actuarial (Gain) / Loss	36,28,440	(28,13,142)
Benefits paid	(59,06,726)	(27,59,837)
At the closing of the year	5,57,03,424	4,99,25,867
(B) Reconciliation of changes in fair value of plan assets		
At the beginning of the year	3,27,67,858	2,87,44,113
Expected return on plan assets	28,81,031	25,72,765
Contributions	45,95,389	42,10,817
Benefits paid	(59,06,726)	(27,59,837)
Actuarial (Gain) / Loss	-	-
At the closing of the year	3,43,37,552	3,27,67,858
(C) Reconciliation of fair value of plan assets		
At the beginning of the year	3,27,67,858	2,87,44,113
Actual return on plan assets	28,81,031	25,72,765
Contributions	45,95,389	42,10,817
Benefits paid	(59,06,726)	(27,59,837)
At the closing of the year	3,43,37,552	3,27,67,858
Funded Status	(2,13,65,872)	(1,71,58,009)
Excess of actual over estimated return on plan assets	-	-
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
(D) Actuarial Gain / Loss recognized		
Actuarial (gain) / loss on obligations	(36,28,440)	28,13,142
Actuarial (gain) / loss for the year - Plan Assets	-	-
Actuarial (gain) / loss on obligations	36,28,440	(28,13,142)
Actuarial (gain) / loss recognized in the year	36,28,440	(28,13,142)
(E) The amount to be recognized in the Balance Sheet and Statement of Profit and Loss		
Present value of obligations as at the end of year	5,57,03,424	4,99,25,867
Fair value of plan assets as at the end of year	3,43,37,552	3,27,67,858
Funded Status	(2,13,65,872)	(1,71,58,009)
Net assets / (liability) recognized in Balance Sheet	(2,13,65,872)	(1,71,58,009)

Notes on Financial Statements for the Year Ended 31st March, 2013

	2012 - 13 Rupees	2011 - 12 Rupees
(F) Expenses recognised in statement of Profit and Loss		
Current Service Cost	40,61,774	41,91,801
Interest Cost	39,94,069	38,00,522
Expected return on plan assets	(28,81,031)	(25,72,765)
Net Actuarial (gain) / loss recognised in the year	36,28,440	(28,13,142)
Expenses recognised in Statement of Profit and Loss	88,03,252	26,06,416
	For the year 2012-13 Rupees	For the year 2011-12 Rupees
22 FINANCE COSTS		
Interest Expense	8,83,56,017	6,87,35,718
Other Borrowing Costs	35,38,239	54,44,880
TOTAL	9,18,94,256	7,41,80,598
	For the year 2012-13 Rupees	For the year 2011-12 Rupees
23 OTHER EXPENSES		
Electricity charges	98,05,603	86,80,295
Rent	4,81,62,598	4,36,67,618
Repair to buildings	2,22,030	9,71,707
Insurance	23,37,381	20,27,698
Printing and stationery	1,44,17,484	1,57,50,782
Postage and telegram, internet charges	63,72,691	68,31,949
Conveyance and travelling	2,25,77,326	2,05,36,056
Telephone and telex	1,29,77,296	1,38,51,173
Rate and taxes	17,55,868	20,51,308
Legal and professional fees	1,58,15,378	1,46,38,424
Auditors' remuneration	11,50,000	11,50,000
Advertisement, publicity and business promotion	1,78,52,743	1,97,28,375
Directors' sitting fees	3,49,776	4,70,000
Miscellaneous expenses	6,74,06,460	6,37,02,327
Loss on sale of assets (Net)	18,36,307	7,41,881
Loss on Sale of Investments	16,60,647	26,41,102
	22,46,99,588	21,74,40,695
	2012-13	2011-12
24 EARNINGS PER SHARE (EPS)		
A) Calculation of Weighted Average Number of Equity Share of Rs. 10 each		
i) Number of shares at the beginning of the year	1,51,86,612	1,50,79,412
ii) Total number of Shares outstanding at the end of the year.	1,51,86,612	1,51,86,612
iii) Weighted Average Number of Equity Shares outstanding during the year	1,51,86,612	1,51,23,346
B) Net Profit After Tax.	2,41,27,949	2,68,26,935
C) Basic and Diluted Earning per share (in Rupees).	1.59	1.77
D) Nominal Value of Shares	10.00	10.00



Notes on Financial Statements for the Year Ended 31st March, 2013

25. Reissue of Forfeited Equity Shares:

During the previous year the Company has received funds by way of reissue of forfeited equity shares aggregating to Rs. 28,94,400/-. The said proceeds have been fully utilized during the year towards working capital requirements.

26. Payment to Auditors :

Particulars	For the Year 2012 - 13 Rupees	For the Year 2011 - 12 Rupees
Audit Fees	8,98,880*	8,82,400*
Tax Audit Fees	1,68,540*	1,65,450*
Certification Fees including Limited Review	1,96,630*	1,93,025*
Out of Pocket Expenses	28,090*	27,575*
Total	12,92,140	12,68,450

* includes service tax and education cess of Rs. 1,42,140/- (Previous Year Rs. 1,18,450/-).

27. Earnings and Expenditure in Foreign Currency :

Particulars	For the Year 2012 - 13 Rupees	For the Year 2011 - 12 Rupees
Earnings in Foreign Currency :		
Air Freight Billing and Other expenses (Net)	6,29,651	6,86,850
Total	6,29,651	6,86,850
Expenditure in Foreign Currency :		
Membership and Subscription Fees	16,254	14,783
Freight Charges	---	---
Travelling	6,45,669	11,98,331
Total	6,61,923	12,13,114

28. Contingent Liabilities

- Estimated amount of contracts remaining to be executed on capital account and not provided for as on 31st March, 2013 Rs. 11,02,420/- (Previous Year Rs. 16,52,420/-).
- Counter guarantees given to Banks, A S Patel Trust and to Mr. Areef Patel, Executive Vice Chairman for guarantees provided by them against credit facilities Rs. 67,89,21,924/-(Previous Year Rs. 54,62,88,045/-).
- Claims against the Company not acknowledged as debts Rs. 81,20,000/- (Previous Year Rs. 55,54,000/-).

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

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

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

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

Notes on Financial Statements for the Year Ended 31st March, 2013

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

34. Segment Reporting –

(Amt. in Rs.)

Segment	Surface Transportation	Co-Loading of Courier	Consolidation of Cargo	Total
Segment Revenue				
External Sales	1,84,49,28,235 (1,67,34,40,602)	29,05,78,982 (32,19,66,049)	2,96,30,75,791 (2,52,90,70,665)	5,09,85,83,008 (4,52,44,77,316)
Inter - Segment Sales				
Total Revenue	1,84,49,28,235 (1,67,34,40,602)	29,05,78,982 (32,19,66,049)	2,96,30,75,791 (2,52,90,70,665)	5,09,85,83,008 (4,52,44,77,316)
Segment Result	14,54,71,685 (11,78,34,341)	2,21,51,493 (2,29,54,214)	15,71,52,674 (14,97,51,137)	32,47,75,852 (29,05,39,692)
Unallocated corporate expenses				20,36,07,107 (18,03,55,761)
Operating Profits				12,11,68,745 (11,01,83,931)
Interest expenses				9,18,94,256 (7,41,80,598)
Interest / dividend income				56,35,400 (97,49,688)
Other Income				36,07,965 (40,77,763)
Net Profit				3,85,17,854 (4,98,30,784)
Other Information				
Segment assets	89,14,11,452 (78,58,19,001)	6,68,82,085 (8,97,36,204)	77,92,93,835 (74,45,25,795)	1,73,75,87,372 (1,62,00,81,000)
Unallocated corporate assets				23,00,98,494 (19,38,35,147)
Total Assets	89,14,11,452 (78,58,19,001)	6,68,82,085 (8,97,36,204)	77,92,93,835 (74,45,25,795)	1,96,76,85,866 (1,81,39,16,147)
Segment Liabilities	46,04,10,856 (42,39,20,709)	1,08,44,474 (1,96,55,641)	44,12,45,375 (34,20,35,866)	91,25,00,705 (78,56,12,216)
Unallocated corporate liabilities				1,05,51,85,161 (1,02,83,03,931)
Total Liabilities	46,04,10,856 (42,39,20,709)	1,08,44,474 (1,96,55,641)	44,12,45,375 (34,20,35,866)	1,96,76,85,866 (1,81,39,16,147)
Capital Expenditure	4,74,68,185 (4,94,63,029)	39,126 (31,999)	1,94,99,804 (2,11,24,117)	6,70,07,115 (7,06,19,145)
Unallocated corporate capital expenditure				1,40,44,995 (16,57,208)
Total Capital expenditure	4,74,68,185 (4,94,63,029)	39,126 (31,999)	1,94,99,804 (2,11,24,117)	8,10,52,110 (7,22,76,353)
Depreciation and amortisation	2,98,91,950 (2,40,91,566)	7,87,395 (9,08,539)	1,60,37,437 (1,39,05,380)	4,67,16,782 (3,89,05,485)
Unallocated depreciation and amortisation				25,92,375 (38,21,324)
Total depreciation and amortisation	2,98,91,950 (2,40,91,566)	7,87,395 (9,08,539)	1,60,37,437 (1,39,05,380)	4,93,09,157 (4,27,26,809)



Notes on Financial Statements for the Year Ended 31st March, 2013

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

<i>(Amt in Rs.)</i>	
Particulars	Claims for Damages (legal or otherwise)
Opening Balance	7,06,49,859
Additions	76,30,643
Utilizations and Reversals	84,07,938
Closing Balance	6,98,72,564

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

36. Related party disclosures : -

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

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

Notes on Financial Statements for the Year Ended 31st March, 2013

Sr. No.	Particulars	A		B		C	
	Transactions during the year						
		12-13	11-12	12-13	11-12	12-13	11-12
1.	Rent Paid	72,000	72,000	–	–	–	94,310
2.	Remuneration Paid	–	–	42,65,858	41,99,194	–	–
3.	Reimbursement of Expenses (Paid)	14,917	10,280	–	–	3,75,460	8,32,335
4.	Reimbursement of Expenses (Received)	–	–	–	–	44,89,101	42,32,058
5.	Inter Corporate Deposit Repaid	–	–	–	–	61,00,000	25,00,000
6.	Inter Corporate Deposit Given Received Back	–	–	–	–	–	20,12,203
7.	Inter Corporate Deposits Taken	–	–	–	–	1,15,00,000	25,00,000
8.	Interest on ICD paid	–	–	–	–	4,85,677	8,57,342
9.	Property Deposit Received Back	10,00,000	–	–	–	–	–
10.	Property Deposit Paid	10,00,000	–	–	–	–	–
	Balance as at						
11.	Loans and Advances	–	–	–	–	–	15,89,024
12.	Inter Corporate Deposits Taken	–	–	–	–	1,17,94,313	61,00,000
13.	Properties Deposit Given	10,00,000	10,00,000	–	–	1,00,00,000	1,00,00,000

NOTES :

- i. Mr. Areef Patel, Executive Vice Chairman has given his personal guarantee in favour of Banks against working capital facilities to the extent of Rs. 51,84,00,000/- sanctioned to the Company, for which no monetary benefit has accrued to him.
 - ii. There are no provisions for doubtful debts or amounts written off or written back during the year for debts due from or to related parties.
- 37.** In the opinion of the Board, current assets, loans and advances have a value of at least equal to the amounts shown in the Balance Sheet, if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary. There are no contingent liabilities other than those stated in Note No. 28.
- 38.** Previous year's figures are regrouped/restated wherever required.

As per our report of even date
For **M S P & Co.**
Chartered Accountants

For and on behalf of the Board,

M. S. Parikh
Partner
Membership No. 08684

A. S. PATEL
Chairman

A. A. PATEL
Executive Vice Chairman

Mumbai,
Dated : 29th May, 2013

P. S. G. NAIR
Director

M. L. UKIDAVE
Chief Financial Officer

N. B. AKOLKAR
Company Secretary

August 12, 2013

Dear Shareholder(s)

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

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

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

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

If you decide to avail of the NECS facility, you are requested to fill up the enclosed 'NECS Mandate form' and send the same on or before 23rd September 2013 to your Depository Participant (DP) in case you hold the shares of the Company in the dematerialized form AND to the Share Transfer Agents of the Company if you hold the shares of the Company in the physical form.

Even if you decide not to avail of the NECS facility to be extended by the Company, you are still requested to fill up the enclosed 'Bank Account Details Mandate form' and send the same on or before 23rd September 2013, to the Share Transfer Agents of the Company, so that your bank account details can be printed on your dividend warrant to avoid fraudulent encashment.

Thanking you,

Yours' faithfully,

For PATEL INTEGRATED LOGISTICS LIMITED

(Nitin B. Akolkar)
Company Secretary

NECS MANDATE FORM

To,
Bigshare Services Private Limited
Unit: Patel Integrated Logistics Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai-400072.

Dear Sirs,

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

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

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

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

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

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

Place :

Date :

(Signature of the Sole/First Shareholder)

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

To,
Bigshare Services Private Limited
Unit: Patel Integrated Logistics Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai-400072
Dear Sirs,

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

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

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

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

Place :
Date :

(Signature of the Sole/First Shareholder)

ATTENDANCE SLIP

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

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

I/We hereby record my/our presence at the 51st Annual General Meeting of the Company held at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (W), Mumbai - 400 049 on Wednesday, September 25, 2013 at 11.00 a.m.

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

NOTES :

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

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

FORM OF PROXY

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

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

I/We _____ of _____

_____ in the district of _____

_____ being a member/members of the above named Company hereby appoint

_____ of

_____ in the district of

_____ or failing him _____

of _____ in the district of

_____ as my/our proxy

to vote for me / us on my / our behalf at the 51st Annual General Meeting of the Company to be held on "Wednesday, September 25, 2013 at 11.00 a.m. at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (W), Mumbai - 400 049 and at any adjournment or adjournments thereof.

Signed this _____ day of _____ 2013.

Please
affix 1 rupee
Revenue
Stamp

Signature

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

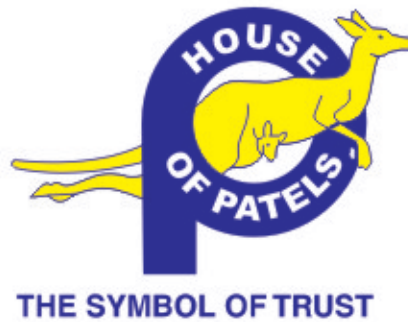
Bonded Warehouse - Chennai



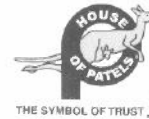
Our Public Custom bonded warehouse at Red Hills, Chennai having an area of over 50,000 sq ft located on NH-5, is well connected to all the National Highways.



Equipped with modern infrastructure, our trained house keeping staff ensures the shipments are free from corrosion and dust.



**Noise pollution can cause partial/total hearing loss besides potential ear damage.
Let us make a conscious decision to reduce noise in our city.**


PATEL
 INTEGRATED LOGISTICS LTD

Dated : 29th May 2013

FORM A

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

1.	Name of the Company:	Patel Integrated Logistics Limited.
2.	Annual financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Un-qualified.
4.	Frequency of observation	Not Applicable
5.	To be signed by- <ul style="list-style-type: none"> Mr. Areef A. Patel Whole Time Director (designated as Executive Vice Chairman) Mr. Mahesh L. Ukidave CFO M S P & Co. Auditors of the company Mr. P.S.G. Nair Audit Committee Chairman 	