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ANNUAL REPORT

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CHAIRMAN	SHRI ANAND KUMAR AGARWAL
DIRECTORS	SHRI K. ARYA DR. DEBASIS SENGUPTA SHRI ASHOKE K. DUTTA DR. ASHOK AGARWAL SHRI VIJAY KUMAR JAIN DR. PADAM CHAND AGARWAL SHRI PRAKASH AGARWAL SHRI ASHOK SURANA
MANAGING DIRECTOR	SHRI ASHISH AGARWAL
SECRETARY	SHRI A. K. THIRANI
AUDITORS	M/S. AGARWAL KEJRIWAL & CO. *Chartered Accountants*
BANKERS	UCO BANK UNITED BANK OF INDIA INDIAN OVERSEAS BANK HDFC BANK LTD STATE BANK OF INDIA
REGISTERED OFFICE	KEDAR ROAD GUWAHATI 781 001

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NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the Members of **ABC India Limited** will be held on Thursday, the 4th day of September, 2008 at Vishwaratna Hotel, Onkar Plaza, A. T. Road, Guwahati, Assam at 1:00 PM to transact the following business :

Ordinary Business

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Profit & Loss Account of the Company for the year ended 31st March, 2008 together with the Balance Sheet as at that date.

2. To appoint a Director in place of Shri Vijay Kumar Jain who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Auditors of the Company.

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

   "RESOLVED that M/s Agarwal Kejriwal & Company, Chartered Accountants, be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of the 35th Annual General Meeting to the conclusion of the 36th Annual General Meeting.

   FURTHER RESOLVED that subject to approval of the Audit Committee, the Board of Directors be and are hereby authorised to fix the remuneration of the Auditors".

Special Business

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

   "RESOLVED that Shri K. K. Arya, who was appointed by the Board of Directors as an Additional Director with effect from 29th July, 2008 and who holds office upto the date of the 35th Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

   "RESOLVED that Dr. Debasis Sengupta, who was appointed by the Board of Directors as an Additional Director with effect from 29th July, 2008 and who holds office upto the date of the 35th Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

   "RESOLVED that Shri Ashoke K. Dutta, who was appointed by the Board of Directors as an Additional Director with effect from 29th July, 2008 and who holds office upto the date of the 35th Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

   "RESOLVED that Dr. Ashok Agarwal, who was appointed by the Board of Directors as an Additional Director with effect from 29th July, 2008 and who holds office upto the date of the 35th Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

"**RESOLVED** that Shri Prakash Agarwal, who was appointed by the Board of Directors as an Additional Director with effect from 29th July, 2008 and who holds office upto the date of the 35th Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

"**RESOLVED** that pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII thereto and other applicable provisions, if any, of the Companies Act, 1956, the terms and conditions relating to remuneration of appointment of Shri Anand Kumar Agarwal, be modified and varied w.e.f. 1st August, 2008 for the remaining tenure of his existing appointment as the Chairman ending on 31.05.2010 as follows :

a) **Salary** : Rs.1,50,000/- (Rupees One lakh fifty thousand only) per month with an annual increment of Rs.30,000/- per month accruing on 1st April of each Financial Year.

b) **Perquisites** : In addition to salary, he shall be entitled to perquisites, which shall be valued as per the provisions of the Income Tax Act, 1961, and which unless the context otherwise requires, are classified into three categories A, B & C as follows :

A. (i) *Housing :* Monthly House Rent Allowance to the maximum extent of 50% of Salary or Rent Free Accommodation in lieu thereof.

(ii) Provision of Electricity at the residential accommodation.

(iii) Reimbursement of Medical expenses incurred for self and family subject to a maximum of Rs.15,000/- (Rupees Fifteen Thousand only) per year.

(iv) Reimbursement of the cost of Individual Mediclaim Policy for self and family subject to a maximum of Rs.15,000/- (Rupees Fifteen Thousand only) per year.

(v) Reimbursement of the cost of overseas health & related insurance subject to a maximum of Rs. 10,000/- (Rupees Ten Thousand only) per year.

(vi) Reimbursement of the cost of Personal Accident Insurance subject to a maximum of Rs. 15,000/- (Rupees Fifteen Thousand only) per year.

(vii) Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.

B. (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and

(iii) Encashment of leave at the end of tenure.

C. Provision of car with driver for use on Company's business and telephone at residence shall not be considered as perquisite.

General terms and conditions :

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

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

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Overall Remuneration :

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

Minimum Remuneration :

Where in any financial year during the currency of tenure of Shri Anand Kumar Agarwal, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites and other allowances as above subject to and not exceeding the ceiling of Rs. 30,00,000/- (Rupees Thirty Lakhs Only) per annum or Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand Only) per month, specified under Paragraph 1 (B) of Part II of Schedule XIII to the Companies Act, 1956.

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

RESOLVED that pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII thereto and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Shri Ashish Agarwal, as Managing Director for a period of three years w.e.f. 1st August, 2008 on the following terms and conditions :

a) **Salary** : Rs.1,00,000/- (Rupees One lakh only) per month with an annual increment of Rs. 20,000/- per month accruing on 1st April of each Financial Year.

b) **Perquisites** : In addition to salary, he shall be entitled to perquisites, which shall be valued as per the provisions of the Income Tax Act, 1961, and which unless the context otherwise requires, are classified into three categories A, B & C as follows :

A. (i) *Housing* : Monthly House Rent Allowance to the maximum extent of 50% of Salary or Rent Free Accommodation in lieu thereof.

(ii) Provision of Electricity at the residential accommodation.

(iii) Reimbursement of Medical expenses incurred for self and family subject to a maximum of Rs.15,000/- (Rupees Fifteen Thousand only) per year.

(iv) Leave Travel Concession for self and family subject to a maximum of one month salary per year.

(v) Reimbursement of the cost of Individual Mediclaim Policy for self and family subject to a maximum of Rs.15,000/- (Rupees Fifteen Thousand only) per year.

(vi) Reimbursement of the cost of overseas health & related insurance subject to a maximum of Rs. 7,000/- (Rupees Seven Thousand only) per year.

(vii) Reimbursement of the cost of Personal Accident Insurance subject to a maximum of Rs. 10,000/- (Rupees Ten Thousand only) per year.

(viii) Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.

B. (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and

(iii) Encashment of leave at the end of tenure.

C. Provision of car with driver for use on Company's business and telephone at residence shall not be considered as perquisite.

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General terms and conditions :

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

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

Overall Remuneration :

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

Minimum Remuneration :

Where in any financial year during the currency of tenure of Shri Ashish Agarwal, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites and other allowances not exceeding the ceiling of Rs.30,00,000/- (Rupees Thirty Lakhs Only) per annum or Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand Only) per month, specified under Paragraph 1 (B) of Part II of Schedule XIII to the Companies Act, 1956.

By order of the Board

Kolkata
the 29th July, 2008

A. K. Thirani
Company Secretary

NOTES

a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

b. An explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 relating to special business to be transacted at the meeting is appended hereto.

c. Re-appointment of Directors :

At the ensuing Annual General Meeting, Shri Vijay Kumar Jain, retires by rotation and being eligible offer himself for re-appointment. The information or details pertaining to the Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges is furnished in the Statement on Corporate Governance.

d. The Company has already transferred all unclaimed dividends declared upto the financial year 1999-2000 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Members are requested to note that no claims shall lie against the Company or the IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date they first became due for payment and no payment shall be made in respect of any such claim.

e. Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.

f. Consequent upon the introduction of Section 109A of the Companies Act, 1956, Shareholders are entitled to make nomination in respect of shares hold by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents M/s. MCS Limited, 77/2A Hazra Road, Kolkata - 700 029.

g. The Register of Member and Transfer Books in respect of the Equity Shares of the Company will be closed from Thursday, the 21st day of August, 2008 to Thursday, the 4th day of September, 2008, both days Inclusive.

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h. Equity shares of the company are available for dematerialization both with the National Securities Depository Limited and Central Depository Services India Ltd.

i. The Company has appointed M/s. MCS Ltd., 77/2A Hazra Road, Kolkata - 700 029 as its Registrar and Transfer Agent. Members holding shares in physical form are requested to notify/send any changes in their address to its Registrar and Transfer Agent to facilitate better service.

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

Item No. 4

Pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and pursuant to the Articles of Association, Shri. K. Arya was appointed as an Additional Director of the Company at the Meeting of the Board of Directors of the Company held on 29th July, 2008. Shri. K. Arya holds office upto the date of the 35th Annual General Meeting of the Company. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose Shri. K. Arya as a candidate for the Director of the Company.

None of the Directors except Shri. K. Arya himself, are deemed to be interested in the Resolution.

Information relating to Shri. K. Arya are as follows :

(a)	**Relationship between Directors intense**	:	None
(b)	**Brief resume :**		
	(i) Age	:	65 years
	(ii) Qualification	:	M. Sc. (Physics), M. Phil. & Master Diploma in Public Administration.
	(iii) Occupation	:	Retired IAS Officer.
(c)	**Nature of his expertise in specific functional area**	:	Various positions as IAS Officer and as Managing Director of State Farms Corporation of India.
(d)	**Other Directorship in Company's & membership of Committees of Board**	:	None
(e)	**Shareholding in the Company**	:	None

Item No. 5

Pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and pursuant to the Articles of Association, Dr. Debasis Sengupta was appointed as an Additional Director of the Company at the Meeting of the Board of Directors of the Company held on 29th July, 2008. Dr. Debasis Sengupta holds office upto the date of the 35th Annual General Meeting of the Company. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose Dr. Debasis Sengupta as a candidate for the Director of the Company.

None of the Directors except Dr. Debasis Sengupta himself, are deemed to be interested in the Resolution.

Information relating to Dr. Debasis Sengupta are as follows :

(a)	**Relationship between Directors intense**	:	None
(b)	**Brief resume**		
	(i) Age	:	59 years
	(ii) Qualification	:	Doctor of Engineering (USA), Master of Engineering (USA), B. Tech (Hons.)
	(iii) Occupation	:	Managing Director, ICICI West Bengal Infrastructure Development Corporation Limited

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(c)	**Nature of his expertise in specific functional area**	:	Management & Finance professional with engineering background and wide ranging experience in banking / financial, manufacturing and advisory segments of the economy. He has worked in the electronics and tele-communication sector and in infrastructure financing over the last three decades. During the last 7 years, he has been deeply involved in various aspects of economic development through infrastructure creation at the state level especially in West Bengal and in innovating new financial strategies for Infrastructure project. He has also been involved in Several Public Sector Undertakings restruc-turing and divestment project.
(d)	**Other Directorship in Company's & membership of Committees of Board**	:	ICICI West Bengal Infrastructure Development Corporation Limited
(e)	**Shareholding in the Company**	:	100 Equity Shares

Item No. 6

Pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and pursuant to the Articles of Association, Shri. Ashoke K. Dutta was appointed as an Additional Director of the Company at the Meeting of the Board of Directors of the Company held on 29th July, 2008. Shri. Ashoke K. Dutta holds office upto the date of the 35th Annual General Meeting of the Company. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose Shri Ashoke K. Dutta as a candidate for the Director of the Company.

None of the Directors except Shri. Ashoke K. Dutta himself, are deemed to be interested in the Resolution.

Information relating to Shri. Ashoke K. Dutta are as follows :

(a)	**Relationship between Directors intense**	:	None
(b)	**Brief resume**		
	(i) Age	:	61 years
	(ii) Qualification	:	PGDM (MBA), B.Sc. Hons.
	(iii) Occupation	:	Director, Rajiv Gandhi Indian Institute of Management, Shillong and Director, Indian Institute of Social Welfare & Business Management, Kolkata (on sabbatical).
(c)	**Nature of his expertise in specific functional area**	:	In areas of Business & Organizational Development, Strategic & Change Management, Personnel & Industrial Relation, Turn around of sick companies and Capacity Building in India, Germany & USA, Environ-mental Health Care etc.
(d)	**Other Directorship in Company's & membership of Committees of Board**	:	All India Technologies Ltd. (Chairman) Garden Reach Shipbuilders & Engineers Ltd., Andrew Yules & Co. Ltd. Computech International Ltd. Khadims India Ltd. Balchnate. Com Ltd Intellisys Technologies & Research Ltd.

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(e) **Shareholding in the Company** : Nil

Item No. 7

Pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and pursuant to the Articles of Association, Dr. Ashok Agarwal was appointed as an additional Director of the Company at the Meeting of the Board of Directors of the Company held on 29th July, 2008. Dr. Ashok Agarwal holds office upto the date of the 35th Annual General Meeting of the Company. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose Dr. Ashok Agarwal as a candidate for the Director of the Company.

None of the Directors except Dr. Ashok Agarwal himself and Shri. Anand Kumar Agarwal, Chairman who is his relative are deemed to be interested in the Resolution.

Information relating to Dr. Ashok Agarwal are as follows :

(a)	**Relationship between Directors intense**	:	Relative of Shri Anand Kumar Agarwal, Chairman
(b)	**Brief resume**		
	(i) Age	:	52 year
	(ii) Qualification	:	MBBS
	(iii) Occupation	:	Business
(c)	**Nature of his expertise in specific functional area**	:	Businessman and educationalist with medical background.
(d)	**Other Directorship in Company's & membership of Committees of Board**	:	Transcorp International Ltd., TCI Infrastructure Finance Ltd, TCI Industries Ltd., Sharma East India Hospitals & Medical Research Ltd
(e)	**Shareholding in the Company**	:	Nil

Item No. 8

Pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and pursuant to the Articles of Association, Shri. Prakash Agarwal was appointed as an additional Director of the Company at the Meeting of the Board of Directors of the Company held on 29th July, 2008. Shri. Prakash Agarwal holds office upto the date of the 35th Annual General Meeting of the Company. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose Shri Prakash Agarwal as a candidate for the Director of the Company.

None of the Directors except Shri. Prakash Agarwal himself, are deemed to be interested in the Resolution.

Information relating to Shri. Prakash Agarwal are as follows :

(a)	**Relationship between Directors intense**	:	None
(b)	**Brief resume**		
	(i) Age	:	37 years
	(ii) Qualification	:	B. E. (Mech.)
	(iii) Occupation	:	Business
(c)	**Nature of his expertise in specific functional area**	:	Wide experience in Marketing, Manage-ment and operations of the Engineering Industry. Areas of expertise are new products and business development, Redical performance improvement, Business transfor-mation, International Marketing, Sound Negotiation skills, Foreign Collaborations and Joint Venture, Setting up new operations, High Performance team building and cost optimizations etc.

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(d)	**Other Directorship in Company's & membership of Committees of Board**	:	WPIL Limited V. N. Enterprise Ltd. H. S. M. Investments Ltd., Hindustan Udyog Ltd., Bengal Steel Industries Ltd., Hindustan Parsons Ltd. Macneil Electricals Ltd. Huwood India Ltd., Spaans Babcock India Ltd. Barath Oils & Chemicals Ltd. Goyal MG Gases Ltd. Morgan Ventures Ltd. ACC Nihan Castings Ltd.
(e)	**Shareholding in the Company**	:	Nil

Item No. 9

The terms of appointment of Shri Anand Kumar Agarwal as Chairman presently provides for payment of salary of Rs. 1,00,000/- (Rupees One Lakh Only) per month with annual increment of Rs. 5,000/- (Rupees Five Thousand Only) per month, alongwith other perquisites. The present terms relating to remuneration are considered inappropriate, and accordingly it is sought to increase the Salary to Rs. 1, 50,000/- (Rupees One Lakh Fifty Thousand Only) per month and annual increment of Rs. 30,000/- per month with restatement of perquisites and other terms and conditions. These modification and variance in terms of appointment of Shri Anand Kumar Agarwal have been approved by a resolution passed by the Remuneration Committee and the Board of Directors, and require approval by the shareholders at a General Meeting by a Special Resolution. A statement giving information in terms of clause (iv) to Paragraph 1 (B) of Part II of the Schedule XIII to the Companies Act, 1956 is as follows :

GENERAL INFORMATION :

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

(Rs. In Lakhs)

Year ending 31st March	Turnover	Profit before Taxation & Depreciation	Profit before Taxation	Profit after Taxation
2008	14010	475	284	170
2007	11174	341	161	133
2006	10944	326	150	141
2005	10152	294	147	60
2004	10125	362	190	124

(5)	Export Performance and net foreign exchange collaboration	Earning in foreign exchange in the Financial Year 2007-2008 Rs. 65,75,361/-
(6)	Foreign investments or collaboration, if any.	The Company has 24% interest in Nissin ABC Logistics Limited, a joint venture with Nissin Corporation, Japan.

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