ANNUAL REPORT

ABC
INDIA LIMITED

ANNUAL REPORT
2009-2010

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 37th Annual General Meeting of the Members of **ABC India Limited** will be held on Saturday, the 4th day of September, 2010 at Vishwaratna Hotel, Onkar Plaza, A. T. Road, Guwahati 781 001, Assam at 1:00 P.M. 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 2010 together with the Balance Sheet as at that date.
2. To sanction declaration of dividend.
3. To appoint a Director in place of Dr. Debasis Sengupta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Ashoke Kumar Dutta, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Dr. Ashok Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
6. 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 Messers. Agarwal Kejriwal & Company, Chartered Accountants, be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of the 37th Annual General Meeting to the conclusion of the 38th 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

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

   "RESOLVED that pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, as approved by the Remuneration Committee, Shri Anand Kumar Agarwal, be and is hereby re-appointed as the Chairman of the Company w.e.f. 01.06.2010 for a period of 3 years ending 31.05.2013, on the terms and conditions given below" :

   a. Salary : Rs.2,00,000/- (Rupees Two Lakhs only) per month.

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

      A. (i) Housing : Rent Free Accommodation

      (ii) Provision of Electricity at 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.

(viii) Provision of Car with driver for use on Company's business.

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

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service payable on his attaining the age of 58 years and thereafter at the end of his tenure, and

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

General terms and conditions :

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

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

Overall Remuneration :

Above remuneration shall be subject to an overall limit of 5% of the net profits individually, and 10% of the net profits collectively to all the Managerial Personnel, as calculated in accordance with Sections 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.

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

RESOLVED that pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII thereto and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded that the terms and conditions relating to remuneration of appointment of Shri Ashish Agarwal, as Managing Director be modified and varied w.e.f. 1st August, 2010 for the remaining tenure of his existing appointment ending 31st July, 2011 as follows :

a. Salary : Rs.1,45,000/- (Rupees One Lakh Forty Five Thousand only) per month.

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

A. (i) Housing : Monthly House Rent Allowance 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.10,000/- (Rupees Ten 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.15,000/- (Rupees Fifteen Thousand only) per year.

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

(ix) Provision of car with driver for use on Company's business.

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

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

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

General terms and conditions :

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

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

Overall Remuneration :

Above remuneration shall be subject to an overall limit of 5% of the net profits individually, and 10% of the net profits collectively to all the Managerial Personnel, as calculated in accordance with Sections 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
A. K. Thirani
Company Secretary

Kolkata
The 12th day of July, 2010

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, Dr. Debasis Sengupta, Shri. Ashoke Kumar Dutta and Dr. Ashok Agarwal retires by rotation and being eligible offer themselves for reappointment. The information or details pertaining to the Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges are furnished in the Statement on Corporate Governance.

d. The Company has already transferred all unclaimed dividends declared upto the financial year 1999-2000 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

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

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

g. The Register of Member and Transfer Books in respect of the Equity Shares of the Company will be closed from Monday, the 30th day of August, 2010 to Friday, the 3rd day of September, 2010, both days Inclusive for the purpose of Annual General Meeting and Dividend.

h. Dividend, if declared at the meeting will be paid on or after 11th day of September, 2010 to those shareholders whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as at the closing of business hours on 28th August, 2010.

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

j. Shareholders holding shares in dematerilised form would receive their dividend directly to the Bank account nominated by them to their Depository Participant as per SEBI directives.

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

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

Item No. 7

The present terms of appointment of Shri Anand Kumar Agarwal as Chairman expires on 31.05.2010. As his services are continuously required by the Company, it is proposed to reappoint him for another period of 3 years. His reappointment and the terms and conditions thereof have been approved by a resolution passed by the Remuneration Committee, 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
2010	14677	409	169	108
2009	16364	834	606	426
2008	14010	475	284	170
2007	11174	341	161	133
2006	10944	326	150	141

(5)	Export Performance and net foreign exchange collaboration	Earning in foreign exchange in the Financial Year 2009-2010 Rs.37,94,878/-
(6)	Foreign investments or collaboration, if any.	The Company has 24% interest in Nissin ABC Logistics Limited, a joint venture with Nissin Corporation, Japan.

INFORMATION ABOUT THE APPOINTEE :

(1)	Background details	He has been with the Company since its incorporation. Qualified B.Com, and aged about 57 years he has rich experience of over 38 years in the business of the Company.
(2)	Past Remuneration	Basic Salary of Rs.21,60,000/-, Rs.16,40,000./- and Rs.12,60,000/- and other perquisites as per his terms of appointment annually in Financial Year 2009-10, 2008-09 and 2007-08 respectively.
(3)	Recognition or awards	None in particular as recognised and awarded several times for specific achievements by the Company.
(4)	Job profile & his suitability	He devotes whole time attention to the management of the affairs of the Company and exercises powers subject to the superintendence, direction and control of the Board of Directors. With his rich experience and knowledge about the business of the Company he is perfectly suitable for his job profile.
(5)	Remuneration proposed	Salary Rs.2,00,000/- per month and other perquisites as spelt out in the explanatory statement hereinabove.
(6)	Comparative remuneration profile with respect to industry, size of company, profile of the position and person.	The remuneration proposed is in consonance with respect to industry, size of company, profile of the position and the person.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Apart from salary and perquisites to be received from the Company, he has interest in the Company as promoter with substantial holdings. He is related to Shri Ashish Agarwal, Managing Director and Dr. Ashok Kumar Agarwal, Director

OTHER INFORMATION :

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

DISCLOSURES :

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

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

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

Item No. 8

Shri Ashish Agarwal, is serving the Company as Managing Director. His existing terms of remuneration are considered inadequate and the same are proposed to be modified and varied as set out in the proposed resolution which have been approved by the Remuneration Committee 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
2010	14677	409	169	108
2009	16364	834	606	426
2008	14010	475	284	170
2007	11174	341	161	133
2006	10944	326	150	141

(5)	Export Performance and net foreign exchange collaboration	Earning in foreign exchange in the Financial Year 2009-2010 Rs.37,94,878/-
(6)	Foreign investments or collaboration, if any.	The Company has 24% interest in Nissin ABC Logistics Limited, a joint venture with Nissin Corporation, Japan.

INFORMATION ABOUT THE APPOINTEE:

(1)	Background details	He is serving the Company for past 2 years as Managing Director. During this period he has gained rich experience in the Management and Administration of Company's business. He is a qualified B.A. (Economics), and aged about 31years.
(2)	Past Remuneration	Basic Salary of Rs.14,40,000/- in Financial Year 2009-10 and Rs.8,00,000/- in Financial Year 2008-09 (for 8 months) and other perquisites as per his terms of appointment as Managing Director.
(3)	Recognition or awards	None in particular as recognised and awarded several times for specific achievements by the Company.

(4)	Job profile & his suitability	His job profile shall include devoting whole time attention to the Management & Administration of the affairs of the Company and exercises powers subject to the superintendence, direction and control of the Board of Directors and Chairman. With valuable contributions made by him to the Company during his hitherto association with the Company, he has been considered perfectly suitable for his job profile.
(5)	Remuneration proposed	Salary Rs. 1,45,000/- per month and other perquisites as spelt out in the explanatory statement hereinabove.
(6)	Comparative remuneration profile with respect to industry, size of company, profile of the position and person.	The remuneration proposed is in consonance with respect to industry, size of company, profile of the position and the person.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Apart from salary and perquisites to be received from the Company, he has interest in the Company as belonging to promoter group with substantial holdings. He is related to Shri Anand Kumar Agarwal, who is the Chairman of the Company and Dr. Ashok Kumar Agarwal, Director

OTHER INFORMATION :

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

DISCLOSURES :

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

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

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

DIRECTORS' REPORT

The Directors hereby present the 37th Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2010 :

(Rs. in Lacs)

FINANCIAL RESULTS	As on 31.03.2010	Previous Year
Turnover	14677	16364
Profit before Taxation and Depreciation	410	834
Depreciation (Net of depreciation on revalued assets transferred from Capital Reserve)	241	228
Profit before Taxation	169	606
Provision for Taxation	61	180
Profit after Taxation	108	426
Add : Balance of Profit & Loss Account brought forward	865	433
	973	859
Less : Tax adjustment for earlier year	28	(6)
Profit available for appropriation	945	865
Appropriation :		
Proposed Dividend	27	-
Tax on proposed dividend	4	-
Transfer to General Reserve	30	-
Balance carried forward to Balance Sheet	**884**	**865**

SERVICES AND EARNINGS

Company's total earnings including other income for the year amounted to Rs.14,677 lacs as compared with the previous year total earnings of Rs.16,364 lacs.

DIVIDEND

The Directors recommend for your approval for payment of dividend @ Rs. 0.50 per Equity Share of Rs. 10/- each for the year ending 31.03.2010. (Previous year Nil). The total amount of dividend including Income Tax thereon would amount to Rs. 31 lacs (Previous year Nil).

OUTLOOK

During the year under review, the Company actively pursued its marketing and operational function to improve its activities in providing logistics solutions to its customers. The demand for such service requirement was subdued in the year due to economic slowdown with apparent recovery from slowdown, the Company is working towards achieving its business from ongoing as well as new projects in major infrastructure sector. However, performance of the company in current year and coming years shall largely depend on improvement in economic situation, and successful completion of jobs in hand.

Project Cargo Division is continuosly thriving to improve its capabilities. Petrol Pump segment has shown satisfactory performance. The Company expects to improve its performance in all segments in coming year.

HUMAN RESOURCES

Training and development of its human resources continued to be an area of prime focues. The Company has developed its human resources to meet the challenges of growing quality perspective by the customers. In view of increased competition in market environment due to economic slowdown, the human resources of the company are being geared up to deliver better quality services to meet the competition.