

Unparalleled service. Infinite growth.



**Allcargo Global Logistics Limited**

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Designed by MX



Allcargo Top Management Team







## Inspired to grow. Inspired to perform.

At Allcargo, we believe every achievement is an inspiration to move forward, every achievement is an encouragement to do more. It is this thought that helps us grow and tells us 'yes, we can'! No wonder, we continue to be India's leading logistics service provider and have been winning awards year after year. We present you Annual Report 2009, a testimony to our achievement, dedicated to instances around us that encourage us to grow.



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## Chairman's Statement

Dear Shareholders,

With immense pleasure, as Chairman & Managing Director of Allcargo Global Logistics Limited, I present before you the annual performance summary along with major milestones achieved by your company in the Year 2009.

Few other epochs in world history have seen such financial chaos and global crisis like the one in previous years. But 2009 was the year of consolidation where global economies, led by emerging markets, slowly traversed back to the path of recovery and consolidation. The first half of 2009 saw commodity prices bottoming out and further weakening of the economic data from across the globe. Contraction in the developed economies impacted India's growth and EXIM trade unfavorably. In spite of this trying economic environment, your company undertook significant steps towards preserving and enhancing the value of your investments. This period of uncertainty surrounding global economy notwithstanding, I am proud to inform you that the net income of your company has grown by 15% to INR 140.7 Cr from INR 121.6 Cr at the consolidated level.

Volatile times demand pervasive upgradation and flexibility in operations which can withstand both test of times and testing times. I am confident to proclaim that we have done well to weather these testing times to a large extent. Thanks to the wonderful performance of our people and confidence from customers, the company's overall financial performance has been stable in this period. The performance of Projects and Equipment divisions has been quite good. Our volumes at CFSs have remained steady, despite the drop in the global trade volumes, a trend evident in the financial crisis. However, the volumes started to slowly pick-up further since late last-year. I am also glad to inform that the overall performance of our global NVOCC business has been satisfactory even in the backdrop of a struggling container shipping industry.

Gradually, confidence is returning in the business world and the global economy has shown robust signs of recovery. Northeast Asia is acquiring enormous economic power with Korea and China influencing the trade flows. With our international presence, we are in a position to capitalize on these global opportunities. We, at Allcargo, had identified this prospect of geographical diversification to become leaner in operations well ahead of time, and have implemented our strategies in line with our long-term vision to capture these. Our core values of trust, leadership and team-spirit underlie our increasingly global and yet nimble business strategy, which has enabled us to leverage these opportunities towards sustainable growth of your company.

### New Services

Your company, Allcargo, has added Third Party Logistics (3PL) to its offerings in line with our long-term strategy to provide full-service play in the logistics space. Customers can now benefit from an integrated network of warehouses that will seamlessly connect cargo from the warehouse to ICD/CFS to the closest gateway port. The commencement of the 3PL division enables Allcargo to offer full service end-to-end-logistics through in-house expertise and facilities for freight forwarding, customs clearance, transport, warehousing and distribution services. With warehouses in Mumbai (Bhiwandi) and Goa (Verna) already operational and plans afoot for facilities in Indore, Hyderabad, Nagpur and Bangalore, we are on a steady expansion mode.

### Strategic Initiatives

We are focused on technology initiatives to extend our capabilities to serve our customers and to ensure better data-driven decision-making. To extend our ERP implementation process started last year, we are implementing the ERPs in Equipment and NVOCC divisions and changing the underlying financial system for the organisation. Your company will have these systems in place by the time you are reading this message.



**Mr. Shashi Kiran Shetty**  
Chairman & Managing Director





### People

We value the importance of our people in the realisation of our corporate vision. The readiness of people to commit to a vision depends in part on the quality of organisational leadership and interpersonal skills. Consequently, we are spending considerable time and effort in providing strategic coaching to our business leaders and motivating high-performers. We are developing a culture that emphasizes on leading and facilitating rather than directing and controlling; a culture in which managers add value by assisting and supporting their people, while also maintaining accountability.

### Awards and Honour

Your company has been chosen as the "Company of the year in the logistics category" at the prestigious "Business Leadership Awards-2009" organized by NDTV-Profit. This is a true recognition of consistency, performance and ability to serve our customers better. I believe that we will continue to take the lead in incorporating new ideas in our approach & business processes and redefine the benchmarks of success and excellence to create continuous value to you, our shareholders.

I am also happy to inform you that I have been conferred with E&Y Entrepreneur of the Year award in 'Service category' this year. I would like to express my gratitude to the stakeholders, customers and employees, who have shown faith in the company over the years. It would not have been possible without the constant trust and belief shown by you in the company.

In another noteworthy achievement, your company Allcargo has been the finalist for the esteemed "Lloyd's list global logistics company awards" last year. This further underscores our contribution to the global logistics landscape.

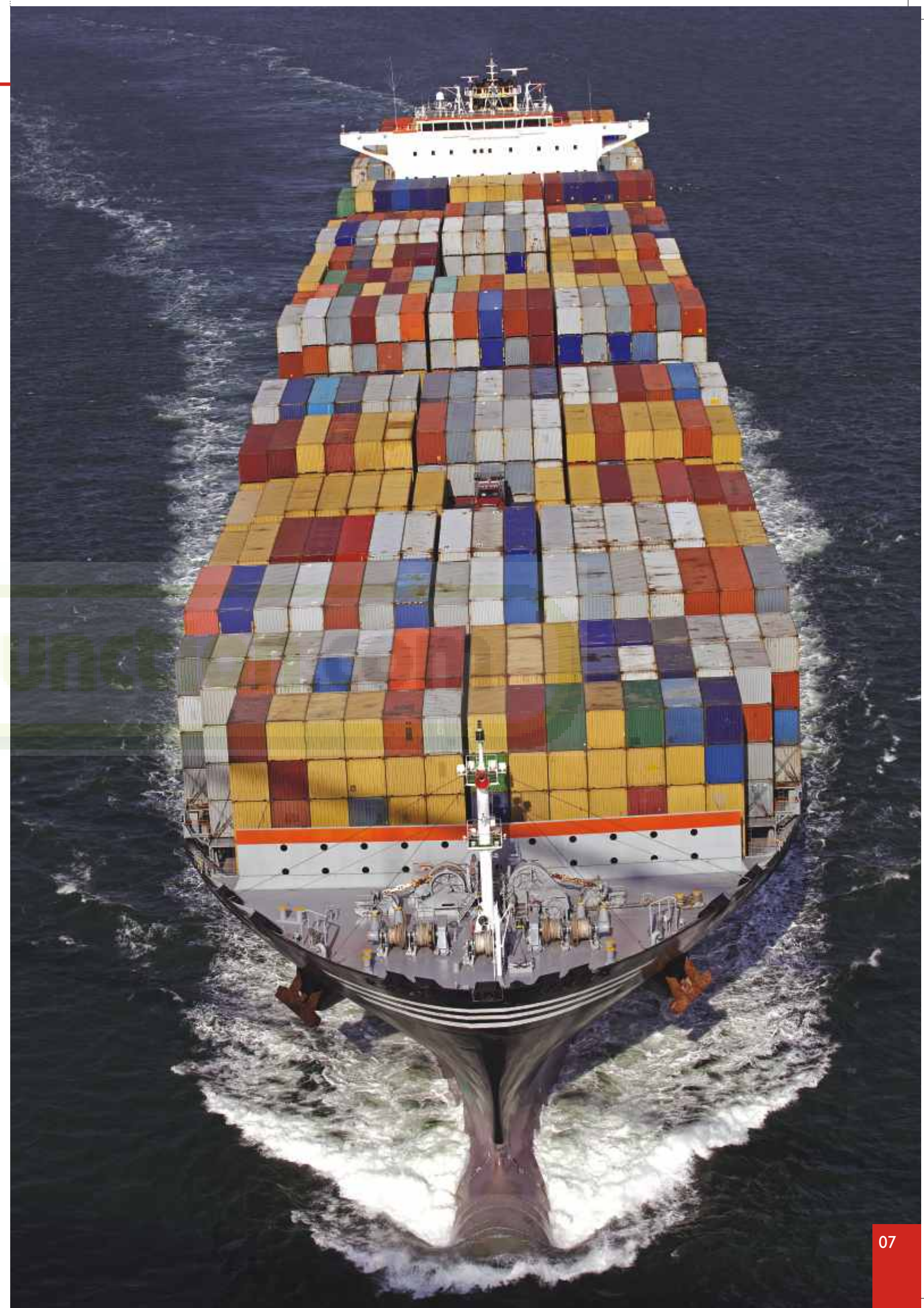
We are continuously striving to build an organization that exceeds the expectations of all our stakeholders through sustained business growth, creating more value for your investment and maintaining supreme standards of corporate governance. We are committed to guard our business through increased offering to our existing customers and also through expanding our customer base in new business areas by penetrating unexplored geographies in sync with our long-term vision.

Opportunities are unfolding in the global landscape; and with our growth-oriented strategies complemented by superiority in execution, I am confident that Allcargo is well prepared to tackle any challenge towards our pursuit of excellence in providing unparalleled services to our customers and strong growth in the value of investments.

On this note of optimism, I take this opportunity to thank you for the trust bestowed on the organization.

We are off to a very good start in the year 2010 and are confident of sustaining this growth momentum in the coming quarters.

With Warm Regards  
**Shashi Kiran Shetty**  
 Chairman & Managing Director





## Our Business

### Container Freight Stations & Inland Container Depots (ICDs/CFS)

**Envisaging** the need for more port related infrastructure, Allcargo has invested in its own **CFS/ICDs** with world-class facilities. We are one of the largest operators in the country with three CFSs operational in Mumbai, Chennai & Mundra and one ICD facility in Indore.

We aim to provide comprehensive multimodal transport solutions, under a single 'Allcargo' umbrella. CFS/ICD operations are an integral part of our logistics services. The high LCL volumes handled by Allcargo along with our Multi-City Consolidation services necessitate custom-bonded CFS/ICD facilities for smooth flow of cargo.

Our CFS/ICDs have been rated as premium infrastructure facilities by our customers for their service deliverables and safety / security norms

**High safety and security standards. We assure you of high service deliverables and performance standards**

### Equipment Hiring and Transportation Division

**Constantly endeavoring** to scale newer heights and milestones in our product and service delivery model with Safety First! Always as our ultimate goal, Allcargo Equipment division is one of the top two leading equipment and transport rental companies in the country.

**A journey of a thousand miles has to start with a single step.** 1982 was the year we commenced our operations with just one forklift. Times have changed from then. Today we proudly announce a fleet of more than 500 specialized vehicles and equipment ranging from Telescopic Cranes, Truck Lattice Boom Cranes, Crawlers, Trailers, Reach stackers to Forklifts. We have a pan-India presence catering to various Multinational and Indian companies across industries like oil exploration, energy, power, construction and infrastructure.

**Beyond expectations. We assure State of the Art Engineering and Research & Development Centre (24 x 7):**

### Warehousing

Quality and performance. The **two benchmarks** that are reflected through our state-of-the-art design, top-in-class equipment and trained professionals across all levels. PEB structures with scientific racking system, our warehouses offer value-added services such as packaging, labeling, segregation etc. as per every customer's requirements

At Allcargo, we keep our customers needs at the centre and our services orbit around this nucleus. Our gamut of specialized logistics services includes transportation, project cargo movement, cargo consolidation, sea freight forwarding and air freight.

**Committed. We assure dedicated warehouses as well as multi-user facilities.**



## Together we make it happen



**2009**

"Company of the year in the logistics category" at the prestigious "NDTV Profit Business Leadership Awards- 2009"





## Our Business

### LCL Consolidation Service

**Getting ahead. Its about time.** Our LCL Consolidation services have made us the **fore runners** in the logistics arena with the promise of one of the best

Allcargo actively liaises with shipping lines, port agents, local carriers and others for movement of your shipments taking on the onus of safe and time-bound deliveries and issuing bills of lading. We are pioneers of the NVOCC business in India and have built a strong global network of customers, offices, agents and partners.

A spectrum of integrated global NVOCC services is what we have on offer. This would include Ocean, Air and Land Logistics, LCL consolidation, FCL forwarding, Multi City Consolidation, Multimodal Transport Operations, Container Freight Logistics. All these services are backed with a host of other support services like road/rail transport, surveyors, carting point, stuffing and sailing schedule and routing options

**Time-tested processes, Global network. We assure you of hassle-free shipments.**

### Project Logistics

**Allcargo is poised** to carve off a large slice of this burgeoning market and pay a leading role in the development of India's infrastructure what with the market for infrastructure development gaining at a more that steady pace. With one eye on the global economy, demand for project cargo logistics is estimated to scale new heights aggregating a growth of 18% in the coming years.

Since 2004, we offer services that include transportation of high value specialized equipment like oilfield equipment, power plants, compressor stations & other over-dimensional cargo that cannot be containerized on a turnkey basis. Industries we cater to include steel, power, refineries, energy, aluminum, oil and gas, cement infrastructure, engineering, etc

Allcargo's project cargo business has the necessary asset portfolio (trucks, special trailers etc) and manpower to successfully execute projects. We have successfully delivered several challenging projects comprising overseas consignments to India and vice versa.

**Out-of-the-box' thinking. We ensure cost-effective and safe solutions**



Success lies in a strong foundation

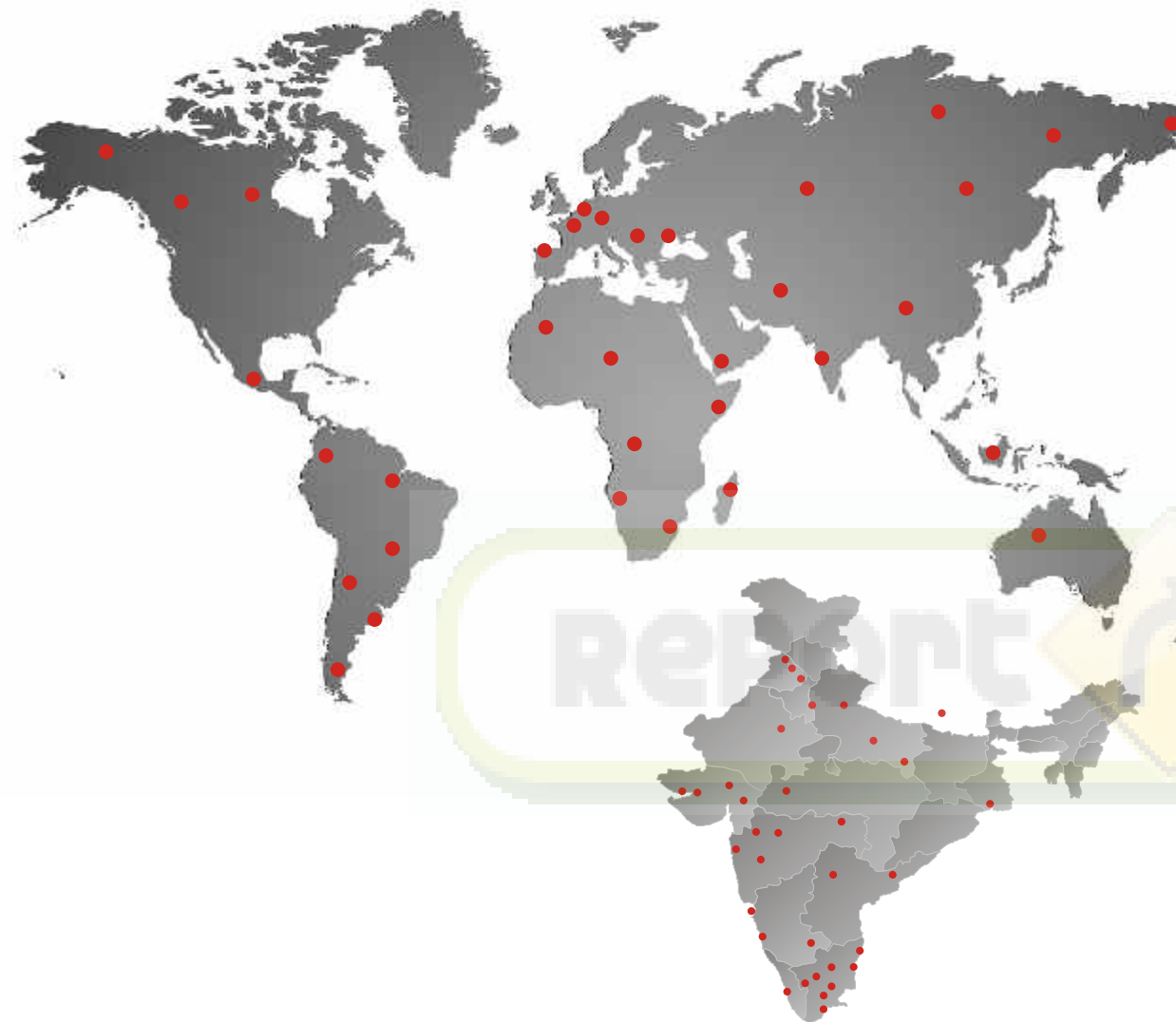
**2008**  
“Logistics Company  
of the year ”  
The Annual  
Indian Maritime  
Gateway Awards





## Global Presence

The world is a small place with Allcargo. With a network of 139 offices in 59 countries, there is no place too far away. Allcargo delivers to more than 5000 destinations around the world.



Dreaming is the first step to achieving

**2007**  
“Logistics Company  
of the year ”  
awarded by  
Lloyds List





### Senior Management Team

**Mr. Umesh Shetty**  
Chief Executive Officer - Equipment Hiring

**Mr. Ashit Desai**  
Director - Corporate Affairs

**Mr. S. Suryanarayanan**  
Group Chief Financial Officer

**Mr. P. P. Shetty**  
HR Advisor

**Mr. Jatin Chokshi**  
Group Chief Investment Officer

**Mr. Hrushikesh Joshi**  
Group Chief Information Officer

**Mrs. Shantha Martin D'Souza**  
Chief Executive Officer - NVOCC

**Mr. T. G. Ramalingam**  
Chief Executive Officer - Projects

**Capt. Ashok Shrivastava**  
Sr. Vice President - Shipping Services

**Mr. Pramod Kokate**  
Vice President - CFS

**Mr. Nishant Kolgaonkar**  
Vice President - HR

### Company Secretary

**Mr. Shailesh Dholakia**

### Bankers

Standard Chartered Bank  
Axis Bank Ltd  
Yes Bank Ltd  
HDFC Bank Limited

### Statutory Auditors

**M/s Appan & Lokhandwala Associates**  
Chartered Accountants  
402, Shiv-Ahish, Plot No. 10,  
19th Road, Chembur,  
Mumbai - 400 071.

### Internal Auditors

**M/s KPMG**  
Lodha Excellus,  
Apollo Mills Compound,  
NM Joshi Marg, Mahalaxmi,  
Mumbai 400 011

**M/s Pipalia Singhal & Associates**  
Chartered Accountants  
601 Janki Centre, 29,  
Shah Industrial Estate,  
Off Veera Desai Road,  
Andheri (West),  
Mumbai - 400 053.

**M/s C C Dangi & Associates**  
Chartered Accountants  
Mahendra Chambers, 2nd Floor,  
Above Mc DonalDs,  
134/136, D. N. Road, Fort,  
Mumbai - 400 001.

### Solicitors

**M/s Maneksha & Sethna**  
Solicitors, Advocates & Notary  
8, Ambalal Doshi Marg,  
Hamam Street, Fort,  
Mumbai - 400 023.

### Registrar and Share Transfer Agents

Link Intime India Private Limited  
C-13 Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W).  
Mumbai - 400 078.

### Registered Office

Diamond Square, 5th Floor,  
CST Road, Kalina,  
Santacruz (East),  
Mumbai - 400 098  
Tel.: 022 - 6679 8100  
Fax: 022 - 6679 8195  
www.allcargoglobal.com

## Our Board of Directors



**MR. SHASHI KIRAN SHETTY,**  
Chairman & Managing Director



**MRS. ARATHI SHETTY,**  
Executive Director



**MR. ADARSH HEGDE,**  
Executive Director



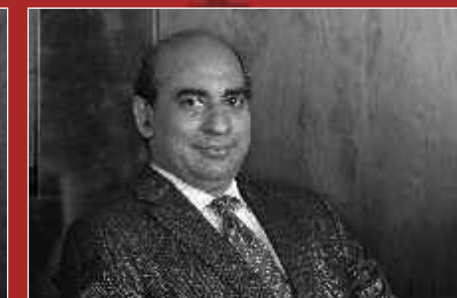
**MR. KAIWAN KALYANIWALLA,**  
Non-Executive  
Independent Director



**MR. KEKI ELAVIA,**  
Non-Executive  
Independent Director



**MR. SATISH GUPTA,**  
Non-Executive  
Independent Director



**MR. RAJIV SAHNEY,**  
Non-Executive  
Independent Director



**MR. AKHILESH GUPTA**  
Non-Executive Director  
Blackstone Nominee Director