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Arshiya International Limited

Annual Report 2007-08

FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind.

We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. AJAY S MITTAL, Chairman & Managing Director
MRS. ARCHANA A MITTAL, Whole Time Director
MR. ASHISH BAIRAGRA, Director
MR. RISHABH SHAH, Director
MR. RICHARD BOLTE JR., Director
MR. FRANCIS X BOLTE, Director
MR. JAMES BELTRAN, Director
PROF. G. RAGHURAM, Director

CORPORATE MANAGEMENT

MR. V. SHIVKUMAR, Director - Corporate Affairs & Legal
MR. SANDESH CHONKAR, Director - Finance & CFO
MR. BISHWAJIT CHAKRAVARTY, CEO - FTWZ
MR. SOUMENDRA NATH CHAKRABORTY, Director - HRD

GLOBAL ADVISORY BOARD

DR. JERRY (YORAM) WIND
DR. FRANK JURGEN RICHTER
MR. WILLIAM P. ADAMOPOULOS
DR. JOHN L GATTORNA
MR. RICHARD TAFFET
MR. MICHAEL PROFFITT
PROF. G. RAGHURAM

REGISTERED OFFICE

7th Floor, Twin Arcade, C-Wing, Military Road,
Marol Maroshi, Andheri (E), Mumbai - 400 059
Tel: +91-22-40495700/701
Fax: +91-22-40495777

CORPORATE OFFICE

301, Ceejay House, Level 3,
Shiv Sagar Estate, F-Block
Dr. Annie Besant Road,
Worli, Mumbai 400018
Tel: +91-22-42305500/501/502
Fax: +91-22-42305555

BANKERS

AXIS Bank Limited
HDFC Bank Limited

AUDITORS

Price Waterhouse
252, Veer Savarkar Marg, Shivaji park,
Dadar, Mumbai – 400028.

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd
E/2, Ansa Industrial Estate, Saki Vihar Road,
Mumbai – 400072
Email: info@bigshareonline.com
Tel: +91-22-28470652/ 40430200
Fax: +91-22-28475207

PROFILE OF BOARD OF DIRECTORS



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1. AJAY S MITTAL, Chairman & Managing Director

Mr. Ajay S Mittal (43) is a Commerce Graduate and an M.B.A. from U.S.A. He has over 17 years of varied experience in business and industry spanning international marketing, commodities trading, manufacturing, financial services, information technology, logistics and supply chain management. He is the driving force behind Arshiya group and provides vision and strategic direction.

2. ARCHANA A MITTAL, Whole Time Director

Mrs. Archana A Mittal (41) is an Arts Graduate. She has over 10 years of experience in Marketing and Administration. She is the promoter of Arshiya International Ltd and an active member of the core strategy team. She is also one of the promoters of Bhushan Steel & Strips Ltd.

3. ASHISH BAIRAGRA, Director

Mr. Ashish Bairagra (29) is a Commerce Graduate and a Chartered Accountant. He has extensive experience in internal audit, statutory audit, management audit, and business advisory assignments. His valuable advice in these areas is of immense benefit to the Company.

4. RISHABH SHAH, Director

Mr. Rishabh Shah (37) is an Arts and Law Graduate. He is a practising legal counsel in the High Court at Mumbai with specialisation in corporate laws. He has over 12 years of experience representing major corporations. His legal acumen and advice is always valuable and sought by the Company.



5. RICHARD BOLTE JR., Director

Mr. Richard Bolte Jr. (50) is a Science Graduate from U.S.A. He currently serves as Chief Executive Officer and President of BDP International-one of U.S.A.'s largest global logistics companies, with offices and affiliates spanning 140 countries.

6. FRANCIS X BOLTE, Director

Mr. Francis X Bolte (43) is an Arts Graduate in Accounting and Economics from U.S.A. He currently serves as Chief Financial Officer of BDP International, U.S.A. He has held senior management positions in Accounting, Logistics and Supply Chain Management.

7. JAMES BELTRAN, Director

Mr. James Beltran (42) is a Law Graduate from U.K. He holds Certificate of Legal Practice and is a Certified Financial Planner from Malaysia. He currently serves as Chairman, MAA International (Malaysia's largest insurance corporation with offices throughout the region).

8. PROF. G. RAGHURAM, Director

Prof. G. Raghuram (53) is a PhD (Northwestern University) and PGDM (IIM-A). He is a professor in Indian Institute of Management (IIM), Ahmedabad. He is a member of various Boards and Government Committees related to infrastructure and logistics. He has taught at Northwestern University and Tulane University, USA. He was the President of Operational Research Society of India (1999-2000).

PROFILE OF CORPORATE MANAGEMENT



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1. V. SHIVKUMAR, Director, Corporate Affairs & Legal

Mr. V. Shivkumar (55) is a Science and Law Graduate and an Associate Member of The Institute of Company Secretaries of India. He has over 30 years experience in business administration, corporate secretarial functions, corporate governance, legal, finance and human resource development. He looks after corporate, legal and secretarial matters.

2. SANDESH CHONKAR, Director Finance & CFO

Mr. Sandesh Chonkar (45) is a Commerce Graduate and a Chartered Accountant. He has over 17 years of senior management experience in financial, commercial, logistics, trading and operational areas. He is currently involved in financial control, strategic planning and business process development.

3. CAPT. BISHWAJIT CHAKRAVARTY, CEO-FTWZ

Capt. Bishwajit Chakravarty (52) is qualified Master Mariner. He has over 33 years experience in end to end logistics chain management of the shipping industry. He has held senior management positions in the shipping agency houses, international logistics companies. He is in charge of FTWZ activities of the Company.

4. SOUMENDRA NATH CHAKRABORTY, Director-HRD

Mr. Soumendra Nath Chakraborty (44) is an Arts Graduate with Economics and MBA from Xavier Institute, Ranchi in Personnel Management. He has over 19 years experience in the field of Human Resources and Administration. He possesses multi-cultural, multi-regional and multi-industrial experience acquired during his tenure with various organisations. He is in charge of human resources and administration functions.

5. PAUL W. BRADLEY, President

Mr. Paul W. Bradley (47) is an MBA in International Management from School of Global Management and a Certified Professional Logistician (CPL). He was elected as a Fellow of the Chartered Institute of Logistics and Transport. He was recently selected by the World Economic Forum as one of the forty "New Asian Leaders". He was designated as the "Asian Supply Chain Manager of the Year" by Lloyds FTB publications in 2004. He has served on a number of government advisory committees. He has written many articles and is a frequent speaker at global conferences.



6. PARESH ZAVERI, Director- Corporate Planning, Cyberlog Technologies International

Mr. Parash Zaveri (40) is an Engineer (Production) and M.M.S in Finance from KJ Somaiya Institute of Management Studies, Mumbai. He has played a key role in the development of new business entities spanning international trading, logistics and supply chain management over the years. He steered the efforts in building Cyberlog Technologies International products since its inception. He has been actively involved in setting up the financial controls and planning, strategic acquisitions and coordinating investor relations.

7. FLEMMING JENSEN, CEO, Middle East Region

Mr. Flemming Jensen (40) is graduate of the A.P. Moeller / Maersk Line Shipping Academy and an MBA from the University of Leicester. He has 14 years experience in shipping, supply-chain-management as well as trade and business development in Middle East. He was the Consul and Trade Commissioner of Denmark in the United Arab Emirates for 6 years. He had worked with a global provider of supply-chain-management services that delivered 'farm-to-fork' solutions to the world's biggest chain of convenience food restaurants for 3 years.

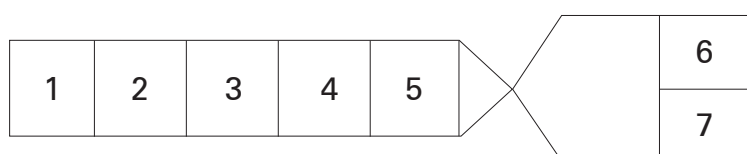
8. JASHAY MEHTA, CEO, Cyberlog Technologies International & CIO-Arshiya Group

Mr. Jashay Mehta (36) is a Commerce graduate and an M.M.S. from Mumbai University. He has played a key role in building Cyberlog since inception and established offices in India, Dubai, Melbourne and the U.S.A. He is a team leader whose efforts led to execution of various projects by offering innovative technology solutions in logistics, supply chain management and business process outsourcing services.

9. SAJAL MITTRA, CEO, Arshiya Rail Infrastructure Ltd

Mr. Sajal Mittra (50) is a Commerce Graduate and Master in Arts in International Relations. Mr. Mittra comes from the Indian Railway Traffic Service, 1985 batch. He has served in different positions in the Railways, handling all the train operations on Mumbai Division of Central Railway. He was Director (Petroleum, Oil and Lubricants) in the Railway Board, responsible for movement of petroleum products. He was on deputation to the Container Corporation of India and was one of the first few to set up CONCOR operations in the Western Region. He was Director in the Ministry for Development of the North Eastern Region, responsible for implementing infrastructure projects in North Eastern India.

PROFILE OF GLOBAL ADVISORY BOARD



1. DR. JERRY (YORAM) WIND

Prof. Jerry Wind (70), based in U.S.A., is internationally known for pioneering research on organizational buying behaviour, market segmentation, conjoint analysis and marketing strategy. He consults with major firms around the world and has lectured in over 50 universities world wide. He is the founding editor of Wharton School Publishing. He teaches MBA courses in Marketing Strategy, Marketing Methods and Applications for Business Consulting. He received his PhD from Stanford University and his MA and BS degrees from The Hebrew University in Jerusalem.

2. DR. FRANK-JURGEN RICHTER

Dr. Frank-Jurgen Richter (41), based in France, is the president of Horasis-The Global Visions Community- an Investment and advisory firm. Through Horasis, he is a Senior Advisor to corporate leaders from Asia, Europe and North America. He was Director of the World Economic Forum, in charge of Asian Affairs. He has developed an extensive experience and knowledge on the world's economic, business and political scene and of its key players. He is an active scholar and has authored and edited a series of best-selling books on global strategy and Asian business. He has completed his education from Germany, France, Mexico and Japan.

3. WILLIAM P ADAMOPOULOS

Mr. William P Adamopoulos (46), based in U.S.A., serves as President and Publisher, Forbes Asia. He has built up the Forbes business and brand across the region. He was Publisher and Managing Director of The Asian Wall Street Journal. He has also held the post of President of Dow Jones Publishing Company (Asia), President of Dow Jones Printing Company (Asia), Managing Director of Dow Jones Interactive (Asia) and Chairman of the Dow Jones Asia Regional Committee. He graduated in Economics from Harvard University.



4. DR. JOHN L GATTORNA

Mr. John L Gattorna (65), based in Australia, is regarded as one of the worlds thought leaders on supply chain management. He is one of the co-developers of "Strategic Alignment" concept, now renamed as "Dynamic Alignment" applied to design management of supply chains. He has taught and researched at several universities around the world, consulted by many multinational corporations. He has written many books and articles.

5. MICHAEL PROFFITT

Mr. Michael Proffitt (61), based in U.K., is a Director of the Supply Chain and Logistics Group – Dubai and a member of the Asia Pacific Supply Chain Advisory Board. He has been involved with Logistics and Supply Chains on a global basis for over 25 years. He has held senior management positions including Logistics Director for Danzas based in Switzerland and Director of Logistics for Hays in the UK. He obtained his MBA from Cranfield School of Management.

6. RICHARD TAFFET

Mr. Richard Taffet (53), based at New York, is Partner, Bingham McCutchen LLP and Co-Chair of Bingham's Intellectual Property Litigation and Patent Prosecution Group. He serves as lead counsel in a wide range of intellectual property, anti-trust and commercial litigation matters. He represents clients before federal agencies including Department of Justice, Federal Trade Commission, the United States Trade Representatives Office and the Consumer Products Safety Commission.

7. PROF. G RAGHURAM

Prof. G. Raghuram (53) is a PhD (Northwestern University) and PGDM (IIM-A). He is a professor in Indian Institute of Management (IIM), Ahmedabad. He is a member of various Boards and Government Committees related to infrastructure and logistics. He has taught at Northwestern University and Tulane University, USA. He was the President of Operational Research Society of India (1999-2000).

DIRECTORS' REPORT



To,
The Members of
Arshiya International Ltd

Your Directors are pleased to present the 27th Annual Report together with the Audited Accounts for the financial year ended 31st March, 2008.

The name of the Company was changed from Arshhiya Technologies International Ltd. to Arshiya International Ltd with effect from 28th September, 2007.

A) SUMMARIZED FINANCIAL RESULTS – ARSHIYA INTERNATIONAL LTD

	YEAR ENDED 31.03.2008 (Rs. in Lacs)	YEAR ENDED 31.03.2007 (Rs. in Lacs)
Income from operations and other Income	20806.97	9172.87
Expenditure	18926.54	8642.32
Profit Before Depreciation & Tax	1880.42	530.55
Depreciation	64.25	34.18
Profit Before Tax, Exceptional Items and Prior period Items	1816.17	496.38
Exceptional Items	–	318.11
Prior period Items(Net)	(33.88)	(137.99)
Provision for Taxation	546.05	278.96
Profit After Tax	1236.24	397.55
Balance B/f	515.48	123.24
Surplus in P&L A/c of erstwhile BDP India Pvt Ltd	–	290.15
Amount available for Appropriation	1751.71	810.94
Proposed Dividend	456.03	218.56
Dividend Tax	77.50	37.14
Transfer to General Reserve	123.62	39.75
Balance Carried to Balance Sheet	1094.55	515.48