

PATEL ROADWAYS LTD.

Patel House, Plot No.48, North Avenue Road, Santacruz (W), Mumbai - 400 054.

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AHEAD
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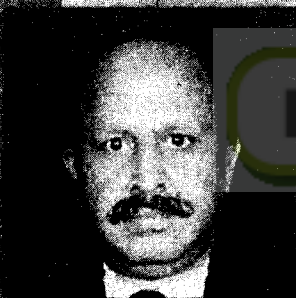
Patel House, Plot No 48, North Avenue Road, Santacruz (W), Mumbai - 400 054

board of directors



Arif A. Patel M.D.

Chairman Asgar S. Patel



P. S. G. Nair Director

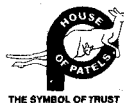
Director Ravi A. Podar



Farrokh S. Wadia Director

Director Ms. Aprajita Singh




PATEL
ROADWAYS LTD.
BOARD OF DIRECTORS

Asgar S. Patel
 Arif A. Patel
 Ravi A. Poddar
 P.S.G. Nair
 Farrokh S.Wadia
 Ms. Aprajita Singh

Chairman
 Managing Director
 Director
 Director
 Director
 Director

ASSISTANT COMPANY SECRETARY

Navin P. Joshi

AUDITORS

Kuvelker, Naik & Gandhi

Mumbai

LEGAL ADVISOR

F.S. Broacha

Mumbai

BANKERS

Bank of Baroda
 Vijaya Bank
 Union Bank of India

REGISTERED OFFICE

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

CORPORATE OFFICE

'NATASHA'
 52, Hill Road,
 Bandra (West),
 Mumbai - 400 050.

SHARE TRANSFER AGENTS

COMPUTRONICS FINANCIAL SERVICES (INDIA) LTD.

1, Mittal Chambers,
 Nariman Point,
 Mumbai - 400 021.

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41st Annual General Meeting : Monday, the 29th day of September 2003,
 at 10.30 a.m. at the Sheila Raheja Hall,
 Rotary Service Centre, Juhu-Tara Road,
 Santacruz (W), Mumbai- 400 049.

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



41ST ANNUAL REPORT 2002-2003

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the members of PATEL ROADWAYS LIMITED will be held at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (W), Mumbai-400 049, on Monday, the 29th day of September, 2003 at 10.30 a.m. to transact the following business :

1. To receive, consider and adopt the audited Balance Sheet and the Profit and Loss Account as at and for the year ended 31st March, 2003 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravi A. Poddar, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Farrokh S. Wadia, 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 till the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration and for the purpose, to consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED that Messrs Naik Danait & Associates, Chartered Accountants, 206-A Arcadia, 195 Nariman Point, Mumbai - 400 021, be and are hereby appointed as Statutory Auditors of the Company in lieu and stead of Messrs Kuvelker Naik & Gandhi, retiring Auditors, who have given notice in writing to the Company stating their unwillingness to be re-appointed as Auditors, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration plus out-of-pocket expenses at actuals as may be agreed upon by the Board of Directors of the Company with the said Messrs Naik Danait & Associates."

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

"RESOLVED that Mrs. Aprajita Singh, an Additional Director of the Company who, under section 260 of the Companies Act, 1956, holds office only upto 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 her 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, in accordance with the applicable provisions of the Companies Act, 1956, the Securities Contract (Regulation) Act, 1956, the Listing Agreement with Stock Exchanges and the provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, or any amendment or modification thereof, and subject to such other approvals, permissions and sanctions as may be necessary, and such conditions and modifications as may be agreed to by the Board of Directors of the Company ('the Board') or any Committee / person(s) authorised by the Board, consent be and is hereby accorded to delist the Equity Shares of the Company from the stock exchanges at Ahmedabad, Chennai, Delhi and Kolkata.

FURTHER RESOLVED that authority be and is hereby accorded to the Board or any Committee / person(s) authorised by the Board, to settle all questions, difficulties or doubts that may arise in this regard and to do all such acts, deeds, matters and things as may be necessary, expedient and desirable or proper, for the purpose of giving effect to this Resolution."

By Order of the Board

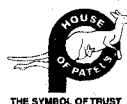
Registered Office :
 "Patel House", 5th Floor,
 Plot No. 48, Gazdarbandh
 North Avenue Road,
 Santacruz (W) Mumbai-400 054

(N. P. JOSHI)
 ASST. COMPANY SECRETARY

Dated : 14th August, 2003

NOTES :

1. The relevant Explanatory Statement as required by Section 173 of the Companies Act, 1956 is annexed hereto.
2. 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.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2003 to 29th September, 2003 (both days inclusive).


PATEL
ROADWAYS LTD.

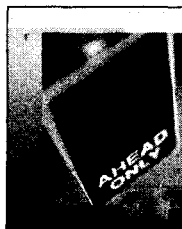
4. In order to be effective, proxies must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
5. All unclaimed dividends upto the final dividend for the year 1994-95 have been transferred either to the General Revenue Account of the Central Government or to the credit of the Investor Education and Protection Fund ("The Fund"), as the case may be. Shareholders are hereby informed that the Company will be obliged to transfer any money lying in the Unpaid Dividend Accounts, for the years thereafter, to the credit of the said Fund, pursuant to Section 205C of the Companies Act, 1956 ("The Act"). In accordance with the provisions of the said Section, no claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed or unpaid 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.

INFORMATION ABOUT DIRECTORS PROPOSED TO BE APPOINTED/REAPPOINTED

1. NAME : Mr. Ravi A. Poddar
 AGE : 53 years
 QUALIFICATIONS : B.Com (Hons.)
 EXPERTISE : Mr. Ravi Poddar is a reputed industrialist heading the Poddar Group of Companies in Kolkata. He has vast experience in diverse fields like Automobiles, Construction, Finance and Capital Markets.
 PARTICULARS OF APPOINTMENT/ RE-APPOINTMENT : Mr. Ravi Poddar is the Director of the Company since 22nd July 1992. Mr. Poddar retires by rotation at the ensuing Annual General Meeting and is proposed to be re-appointed as the Director.
 OTHER DIRECTORSHIPS :

NAME OF THE COMPANY	POSITION HELD
i) United Credit Ltd.	Chairman
ii) United Credit Securities Ltd.	Director
iii) Poddar Properties & Construction Ltd.	Director
iv) Arpee Properties Pvt. Ltd.	Director
v) Atul Capital Market Ltd.	Director
vi) Megabowl Ravi Auto Entertainment Pvt. Ltd.	Director
vii) Ravi Auto Parks & Resorts Pvt. Ltd.	Director
viii) Calcutta Metropolitan Group Ltd.	Director
ix) P.C. Chanda & Co. Pvt. Ltd.	Director
x) Nandan Commercial Ltd.	Director
xi) Ravi Auto Ltd.	Director
- *CHAIRMANSHIP(S) / MEMBERSHIP(S) OF COMMITTEES AS ON 31/3/2003 : Nil
2. NAME : Mr. Farrokh S. Wadia
 AGE : 39 years
 QUALIFICATIONS : B.Com.
 EXPERTISE : Mr. Farrokh Wadia is a businessman having experience in the fields of automobile dealership, finance, construction and couriers.
 PARTICULARS OF APPOINTMENT/ RE-APPOINTMENT : Mr. Farrokh Wadia is the Director of the Company since 6th May, 1998. Mr. Wadia retires by rotation at the ensuing Annual General Meeting and is proposed to be re-appointed as the Director.
 OTHER DIRECTORSHIPS :

NAME OF THE COMPANY	POSITION HELD
i) Easyhaul Express Pvt. Ltd.	Director
ii) Integrated Delivery Solutions Pvt. Ltd.	Director

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*CHAIRMANSHIP(S) / MEMBERSHIP(S) OF COMMITTEES AS ON 31/3/2003	NAME OF THE COMPANY	TYPE OF THE COMMITTEE	POSITION HELD
	i) Patel Roadways Ltd.	Audit Committee	Member
	ii) Patel Roadways Ltd.	Remuneration Committee	Member

3. NAME	: Mrs. Aprajita Singh
AGE	: 40 years
QUALIFICATIONS	: B.A., L.L.B., M.B.A.
EXPERTISE	: Mrs. Aprajita Singh has more than 15 years experience in the fields of Marketing, Finance, Project Planning, Human Resource Development and General Administration.
PARTICULARS OF APPOINTMENT/ RE-APPOINTMENT	: Mrs. Aprajita Singh was appointed as an Additional Director of the Company at the Meeting of the Board of Directors of the Company held on 29th July, 2003. Members' approval is sought for her appointment as the Director of the Company at ensuing Annual General Meeting.
OTHER DIRECTORSHIPS	: Nil
*CHAIRMANSHIP(S)/ MEMBERSHIP(S) OF COMMITTEES AS ON 31/3/2003	: Nil

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

ANNEXURE TO THE NOTICE

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

ITEM NO.4

As members are aware, at the last Annual General Meeting of the Company held on 25th September, 2002, Messrs Kuvelker Naik and Gandhi, Chartered Accountants, Mumbai, were re-appointed as the Company's Auditors, to hold office from the conclusion of that Meeting until the conclusion of the next Annual General Meeting of the Company. By their letter dated 10th June, 2003, Messrs Kuvelker Naik and Gandhi have given the Company a notice in writing, pursuant to section 224(2)(b) of the Companies Act, 1956 ("the Act"), of their unwillingness to be re-appointed due to re-structuring of their firm. There are no circumstances attendant to their decision, which they consider should be brought to the notice of the Company's members.

In view of the above, the members will have to appoint a new Auditor in lieu and stead of Messrs Kuvelker Naik and Gandhi, to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. A member of the Company holding 19,82,200 equity shares of the Company, constituting 24.78% of the total paid-up Equity Capital and/or the voting power, has given a notice to the Company, in terms of section 225 of the Act, proposing that Messrs Naik Danait & Associates be appointed as the Statutory Auditors of the Company in lieu and stead of Messrs Kuvelker Naik and Gandhi.

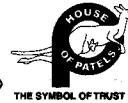
The Directors of the Company recommend the passing of the resolution at item no.4 of the Notice.

None of the Director is concerned or interested in the passing of the resolution at item no. 4 of the Notice.

ITEM NO.5

Mrs. Aprajita Singh was appointed as an Additional Director of the Company, at the Meeting of the Board of Directors of the Company held on 29th July, 2003. The Company has received a Notice along with a deposit of Rs.500/- from one of the members, proposing the candidature of Mrs. Aprajita Singh for the office of Director.

Mrs. Aprajita Singh is B.A., L.L.B with a Masters' Degree in Business Administration from the Punjab University. She has more than 15 years' experience in the fields of Finance, Project Planning, Marketing, Human Resource Development and General Administration.



**PATEL
ROADWAYS LTD.**

Your Directors feel that her 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 Mrs. Aprajita singh, none of the other directors is concerned or interested in passing the Resolution at item No. 5 of the Notice.

ITEM NO.6

The Equity Shares of Rs.10/- each of your Company, are presently listed on the following five stock exchanges in India:

- a) The Stock Exchange, Mumbai.
- b) The Stock Exchange, Ahmedabad.
- c) The Calcutta Stock Exchange Association Ltd.
- d) The Delhi Stock Exchange Association Ltd.
- e) The Madras Stock Exchange Ltd.

The Stock Exchange, Mumbai is the Regional Stock Exchange for the Company. The Equity Shares of the Company are compulsorily traded in the dematerialised form.

Continued listing on the stock exchanges, other than the Stock Exchange, Mumbai, neither serves the interest of the members/ investors nor that of the Company. This is especially so as The Stock Exchange, Mumbai has extensive networking of trading terminals, which facilitates trading by members/investors across the country.

Therefore for the purpose of administrative convenience and saving in costs on account of listing fees, etc., the Board of Directors of your Company ('the Board') at its meeting held on 29th July, 2003, recommended for the approval of the members, the proposal to voluntarily delist the Company's Equity Shares from the stock exchanges at Ahmedabad, Chennai, Delhi and Kolkata.

In accordance with the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, consent of the members by way of a Special Resolution is required for voluntary delisting of the Company's shares from the aforesaid stock exchanges.

None of the Directors are concerned/interested in the passing of the resolution at item no.6 of the Notice.

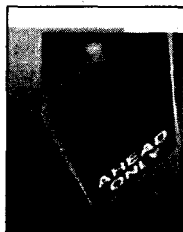
The Board recommends the resolution for the approval of members.

By Order of the Board

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

(N. P. JOSHI)
ASST.COMPANY SECRETARY

Dated : 14th August, 2003

**41ST ANNUAL REPORT 2002-2003****DIRECTORS' REPORT**

To,
The Members of
Patel Roadways Limited.

The Directors have pleasure in presenting their 41st Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2003.

FINANCIAL RESULTS :**PARTICULARS**

	(Rs. in lacs) Year ended 31st March 2003	(Rs. in lacs) Year ended 31st March 2002
Profit before Interest & Depreciation	304.59	406.03
Less : Interest	160.21	181.00
Profit before Depreciation	144.38	225.03
Less : Depreciation	123.36	142.06
Profit before tax	21.02	82.97
Less : Provision for tax	16.00	18.00
Add : Deferred Tax	8.10	11.47
Excess/(Short) Provision for taxation of earlier years	—	(23.62)
Profit after tax	13.12	52.82
Balance of Profit from previous year	243.89	591.07
TOTAL	257.01	643.89
APPROPRIATIONS OF PROFIT		
Transfer to General Reserve	—	400.00
Balance carried to Balance Sheet	257.01	243.89
TOTAL	257.01	643.89

OPERATIONS :

The Economic situation in the Country did not show any significant improvement during the financial year ended 31st March 2003. However, your Company retained its niche market and managed to remain profitable with various operational initiatives, which were launched to combat the recessionary phase in the Economy. As reported last year, the management undertook various exercises like revamping of routes and truck movements, review of customer base, formulation of a new pricing model and a branch rationalisation programme, which have started bearing fruits during this year. The drive to improve the cost consciousness across the organisation has also resulted in a sizable reduction in the costs.

The start of this year was also not very encouraging for the transport sector. The transport strike in April again posed a challenge. However, sure signs of improvement shown by the economy, towards the end of the financial year ended 31st March 2003, were heartening. In the light of the performance of the economy in general and the ongoing trend of the performance of the Company in particular, the management is confident of a much better performance during the year 2003-2004.

DIVIDEND :

Considering the cash flows and profitability and with a view to conserve resources for future requirements, your Directors have decided not to recommend dividend on the Equity Shares for the year under consideration.

FIXED DEPOSITS :

Fixed Deposits accepted by the Company stood at Rs616.13 lacs as on 31st March, 2003. There were no unpaid or overdue deposits as on 31st March, 2003, except unclaimed deposits aggregating Rs. 3.30 lacs, for which necessary intimations have already been sent. There has been no amount of deposits required to be transferred to the Investor Education and Protection Fund.

DIRECTORS :

Mr. Ravi A. Poddar and Mr. Farrokh S. Wadia, Directors of the Company, retire by rotation, at the ensuing Annual General Meeting, and being eligible have offered themselves for re-appointment.


**PATEL
ROADWAYS LTD.**

Mr. J. J. Gandevia, due to other pre-occupations, has resigned as the Director of the Company with effect from 21st July, 2003. The Board of Directors sincerely appreciates the contribution of Mr. Gandevia as the Director of the Company.

Mrs. Aprajita Singh was appointed as an Additional Director of the Company with effect from 29th July, 2003. Mrs. Singh vacates the office of Director, at the ensuing Annual General Meeting. The Company has received a Notice, from a member, proposing the candidature of Mrs. Aprajita Singh as the Director of the Company. Mrs. Aprajita Singh, being eligible, offers herself for appointment as the Director of the Company.

AUDITORS :

Your Auditors, M/s. Kuvelkar, Naik and Gandhi retire at the ensuing Annual General Meeting and have conveyed, by way of a notice, their unwillingness to be re-appointed as Auditors of the Company due to internal restructuring of their firm. There are no circumstances attendant to their decision which they wish to bring to the notice of the Company's shareholders. This necessitates appointment of new Auditors in lieu and stead of M/S Kuvelkar Naik and Gandhi. Your Company has received a notice from a member that M/S Naik Danait & Associates, Chartered Accountants, 206 A Arcadia, 195 Nariman Point, Mumbai-400 021, be appointed as new Auditors of the company, in lieu and stead of M/s Kuvelkar Naik and Gandhi. M/s Naik Danait & Associates, have conveyed their willingness to be appointed as Auditors of the Company and have also conveyed that, if appointed, their appointment will be within the limits as prescribed under section 224 (1B) of the Companies Act, 1956. The proposal is put forth for the consideration of members and forms part of the business to be transacted at the ensuing Annual General meeting.

The Board of Directors sincerely appreciates the services rendered and guidance extended by M/s Kuvelkar Naik and Gandhi during their long association as the Auditors of the Company.

AUDITORS' REPORT :

Your Directors refer to observations made by the Auditors in their Report and wish to state that notes forming part of the Accounts are self-explanatory and hence do not require any further comments.

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, are included 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 :

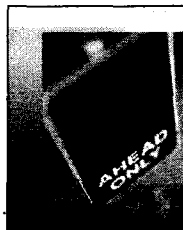
The Company continues its in-house programme of enlightening and educating its commercial vehicle drivers for greater fuel efficiencies. All the vehicles owned by the Company undergo an intensive planned preventive maintenance (PPM) drill to keep the vehicles in top running condition with special emphasis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

PART B – TECHNOLOGY ABSORPTION : Not Applicable

PART C - FOREIGN EXCHANGE EARNINGS AND OUTGO :

PARTICULARS

	(Rs. in lacs) Year ended 31st March, 2003	(Rs. in lacs) Year ended 31st March, 2002
Earnings in Foreign Exchange		
Income from Money Transfer Service	10.75	20.72
Interest	0.40	0.40
TOTAL	11.15	21.12
Expenditure in Foreign Currency		
Professional Fees	0.05	-
Telephone Expenses (PRL WUMTS)	0.74	1.11
TOTAL	0.79	1.11



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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.

There were no employees during the year under consideration drawing remuneration as per limits prescribed u/s 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, and in respect of which a statement is required to be enclosed to this report.

DIRECTORS' RESPONSIBILITY STATEMENT :

The Board of Directors of the Company confirm that :

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure ;
- 2) the selected accounting policies were applied consistently and the Directors made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2003 and of the profit of the Company for the year ended on that date;
- 3) proper and sufficient care has been taken 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;
- 4) the annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS :

The Directors place on record their appreciation of the continued assistance and support received from the Bankers, Government Agencies, Clients and also it's Fixed Deposit Holders.

Registered Office :

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

Dated : 14th August, 2003

For and on behalf of the Board,

A.A. PATEL	-	Managing Director
P.S.G. NAIR	-	Director
F. S. WADIA	-	Director
Ms. A. SINGH	-	Director