

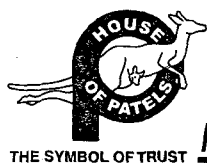
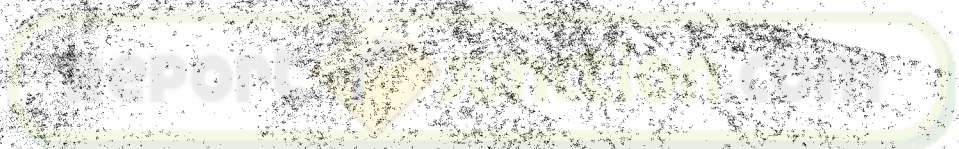
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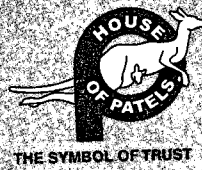
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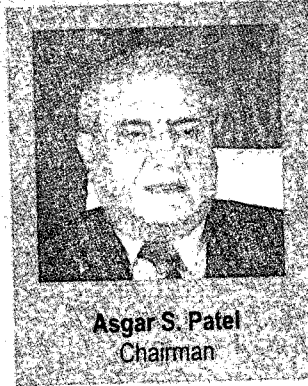
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**INTEGRATED LOGISTICS LTD.**  
(Formerly Patel Roadways Ltd.)



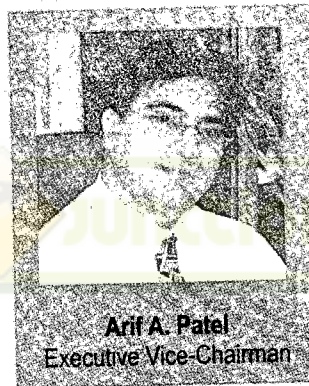


**PATEL**  
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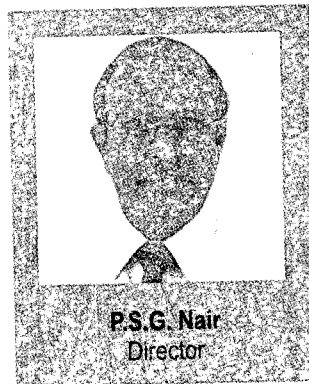
## BOARD OF DIRECTORS



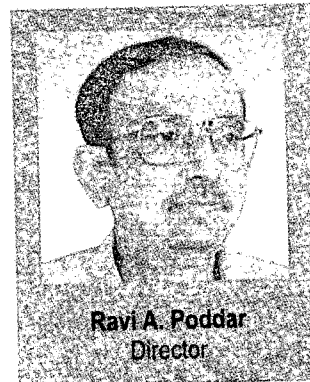
**Asgar S. Patel**  
Chairman



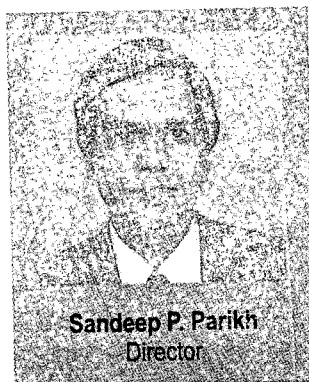
**Arif A. Patel**  
Executive Vice-Chairman



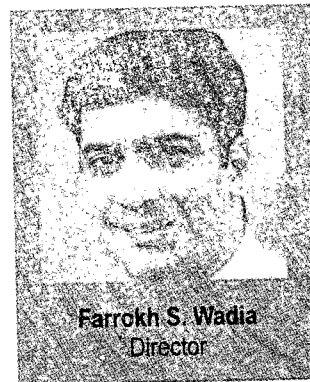
**P.S.G. Nair**  
Director



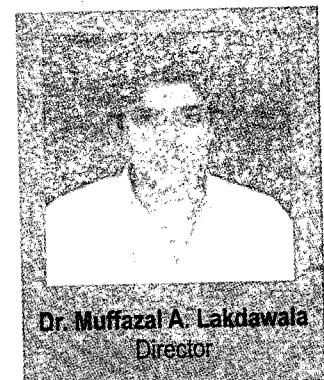
**Ravi A. Poddar**  
Director



**Sandeep P. Parikh**  
Director



**Farrokh S. Wadia**  
Director



**Dr. Muffazal A. Lakdawala**  
Director

#### BOARD OF DIRECTORS

Asgar S. Patel	Chairman
Arif A. Patel	Executive Vice-Chairman
Ravi A. Poddar	Director
P. S. G. Nair	Director
Sandeep P. Parikh	Director
Farrokh S. Wadia	Director
Muffazal A. Lakdawala	Director

#### CHIEF FINANCIAL OFFICER

Maresh L. Ukidave

#### COMPANY SECRETARY

Navin P. Joshi

#### AUDITORS

MSP & Co. Mumbai  
(formerly P. Parikh & Co.)

#### LEGAL ADVISORS

Crawford Bayley & Co. Mumbai  
F.S.Broacha Mumbai

#### BANKERS

Andhra Bank  
Central Bank of India  
Bank of Bahrain & Kuwait B.S.C.  
Indian Bank  
Dena Bank  
Vijaya Bank  
Union Bank of India

#### REGISTERED OFFICE

'Patel House', 5th Floor,  
Plot no. 48, Gazdarbandh,  
North Avenue Road,  
Santacruz (West),  
Mumbai – 400 054.

#### CORPORATE OFFICE

'Natasha', 52 Hill Road,  
Bandra (West), Mumbai – 400 050.

#### SHARE TRANSFER AGENTS

Computronics Financial Services (India) Limited  
No. 1, Mittal Chambers, Nariman Point,  
Mumbai – 400 021.

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## 45th Annual General Meeting

Thursday, the 27th day of September, 2007, at 11.00 a.m. at Sheila Raheja Hall,  
Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.

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



## 45th ANNUAL REPORT 2006-2007

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### NOTICE

NOTICE is hereby given that the 45th Annual General Meeting of the members of PATEL INTEGRATED LOGISTICS LIMITED (formerly Patel Roadways Limited) will be held at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049, on Thursday, the 27th day of September, 2007 at 11.00 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, 2007 and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Asgar S. Patel who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. Muffazal A. Lakdawala who retires by rotation and, being eligible, offers himself for re-appointment.
5. 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.
6. To consider and, if thought fit, to pass, with or without modification(s), following resolution as a Special Resolution:

"RESOLVED that pursuant to clause 23 (a) of the Listing Agreement and subject to the compliance of regulations, rules, guidelines, if any, in this behalf issued / prescribed by the Securities & Exchange Board of India (SEBI), the Stock Exchange or any other authority, approval is hereby given to the sale, re-allotment or otherwise disposal of the equity shares of the Company, forfeited because of non-payment of allotment money due on such shares, to the existing share holders and / or original holders thereof and / or to any other person(s) including any person(s) from the promoter group, upon such terms, including the price, and in such manner as the Board of Directors (the Board) shall deem fit ;

FURTHER RESOLVED that the Directors be and are hereby severally authorized to execute instrument of transfer (s) of the shares sold / re-allotted and cause the purchasers' name to be entered in the Register of Members in respect of shares sold ;

FURTHER RESOLVED that upon any sale, re-allotment or other disposal of the forfeited shares, the certificates originally issued in respect of the forfeited shares, shall stand cancelled and become null and void and of no effect and the Directors are jointly and severally authorized to issue new certificates in respect of shares sold / re-allotted to the person or persons entitled thereto either in physical or dematerialized form ;

FURTHER RESOLVED that the Board be and is hereby authorized to decide the price for the sale / re-allotment of forfeited shares subject to the guidelines prescribed by the Stock Exchange in this regard and also to decide the date for sale / re-allotment of the forfeited shares."

**Registered Office:**

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

Mumbai, 30th July, 2007

By order of the Board,

(N. P. Joshi)  
Company Secretary



## 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 19th September, 2007 to 27th September, 2007 (both days inclusive).
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 up to the final dividend for the year 1996-97 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.

The date for transfer to the Fund of equity dividend for the year ended 31st March, 2000, declared by the Company and the erstwhile Patel On-Board Couriers Limited (POBCL) at their respective Annual General Meetings held on 25th September, 2000, is 5th November, 2007. Members of the Company who have so far not encashed the Dividend Warrants for the Accounting Year ended 31st March, 2000 (with respect to the equity dividend for the year ended 31st March, 2000 of the Company as well as of erstwhile POBCL) are advised to submit requests for the issue of pay orders / Demand Drafts in lieu of the original dividend warrants for the said Accounting Year addressed to the 'Company Secretary' Patel Integrated Logistics Limited, 4th Floor, "Natasha", 52 Hill Road, Bandra (West), Mumbai – 400 050.

6. Members are requested to send their Bank Account details on or before 17th September, 2007, to the Share Transfer Agents of the Company at 'Computronics Financial Services (India) Ltd., Mittal Chambers, Nariman Point, Mumbai – 400 021.' This is to avoid the fraudulent encashment of dividend warrants.
7. The Company provides Electronic Clearing Service (ECS) facility for the payment of dividend. Accordingly shareholders holding equity shares in physical form are requested to send Electronic Clearing Service (ECS) mandates, if any, in the prescribed form enclosed herewith, on or before 17th September, 2007, to the Share Transfer Agents of the Company at 'Computronics Financial Services (India) Ltd., Mittal Chambers, Nariman Point, Mumbai – 400 021'.

Shareholders holding equity shares of the Company in the dematerialized form shall intimate to their respective Depository Participants on or before 17th September, 2007, about the ECS mandates, if any, in the prescribed form enclosed herewith.

Dividend as recommended by the Board of Directors will be paid to the shareholders in the manner given below:

- a) To all the shareholders who have opted for ECS Mandates, by way of direct credit to their respective Bank Accounts.
- b) To shareholders who have not opted for ECS Mandates:
  - i) If the dividend amount is in excess of Rs. 10,000/-, by way of Pay Orders / Demand Drafts; and
  - ii) If the dividend amount is not in excess of Rs. 10,000/-, by way of Dividend Warrants.



## 45th ANNUAL REPORT 2006-2007

### INFORMATION ABOUT DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED

1.	NAME	Mr. Asgar S. Patel	
	AGE	68	
	QUALIFICATIONS	B.A.	
	EXPERTISE	One of the pioneers of the organised transportation of goods in India with vast experience in the fields of finance, forex, Couriers, Construction and Logistics.	
	PARTICULARS OF APPOINTMENT / RE-APPOINTMENT	Mr. Asgar S. Patel the Chairman of the Company since it's inception, retires by rotation at the ensuing Annual General Meeting. It is proposed to re-appoint Mr. Asgar S. Patel as the Director of the Company.	
	OTHER DIRECTORSHIPS AS ON 31ST MARCH, 2007.	<b>Name of the Company</b> Wall Street Finance Ltd. Patel Holdings Ltd. Wall Street Securities & Investments (India). Ltd. Springfield Hotels Pvt. Ltd. Goldman Securities Pvt. Ltd. Emerald Commodities Pvt. Ltd. Natasha Constructions Pvt Ltd World Wide Instant Remittances Pvt Ltd. Patel Institute of Transport Management & Research Money changer's Association	<b>Position Held</b> Chairman Chairman Chairman Chairman Chairman Chairman Director Director Director Director
	*CHAIRMANSHIP(S) / MEMBERSHIP(S) OF COMMITTEES AS ON 31ST MARCH 2007	Nil	

2.	NAME	Dr. Muffazal A. Lakdawala		
	AGE	37		
	QUALIFICATIONS	M.S.		
	EXPERTISE	Dr. Muffazal Lakdawala is an eminent surgeon and a person of high repute and social standing		
	PARTICULARS OF APPOINTMENT / RE-APPOINTMENT	Dr. Muffazal Lakdawala is a Director of the Company since 2nd March, 2005. Dr. Muffazal Lakdawala retires by rotation at the ensuing Annual General Meeting. It is proposed to re-appoint Dr. Muffazal Lakdawala as the Director of the Company.		
	OTHER DIRECTORSHIPS AS ON 31ST MARCH, 2007.	Nil		
	*CHAIRMANSHIP(S) / MEMBERSHIP(S) OF COMMITTEES AS ON 31ST MARCH 2007	<b>Name of the Company</b> Patel Integrated Logistics Limited	<b>Type of Committee</b> Remuneration Committee	<b>Position Held</b> Member

\*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. 6**

The Board of Directors vide the resolution passed at their meeting held on 27th September, 2005 forfeited equity shares of the Company on which allotment / call money was unpaid. Articles 42 to 52 of the Articles of Association of the Company deal with the provisions regarding forfeiture of shares and sale / re-allotment of such forfeited shares.

The forfeited shares belonged to the category of Indian Public and were held in physical form. Since the allotment of these shares on 21st March, 1994, several notices were sent to the defaulting shareholders until their forfeiture as mentioned above.

As on the date of this notice, 1,07,200 equity shares stand forfeited. The amount of share capital unpaid on the forfeited shares stands at Rs. 6,24,500/-.

Clause 23(a) of the standard Listing Agreement prescribes that the Company shall issue or offer, in the first instance, all shares (including forfeited shares) pro-rata to the equity shareholders of the Company unless the shareholders in the general meeting decide otherwise.

Accordingly, approval of shareholders is sought to enable the Board of Directors to sale / re-allot the forfeited shares to any of the persons as mentioned in the resolution on the terms and in the manner which the Board deems in the interest of the Company.

The shareholders had granted their approval to the Resolution at item no. 5 of the Notice of the court convened Extra Ordinary General Meeting held on 19th May, 2006. However as sufficient time has elapsed since the earlier approval of shareholders, and the forfeited shares have not been re-issued, the Board of Directors deemed it necessary to approach the shareholders again for seeking their approval in this matter.

None of the Directors are concerned or interested in passing of this resolution except to the extent of the shares which may be allotted / sold to them or to their relatives or to companies in which they are directors or members.

**Registered Office:**

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

Mumbai, 30th July, 2007

By order of the Board,

**(N. P. Joshi)**  
Company Secretary



## 45th ANNUAL REPORT 2006-2007

### DIRECTORS' REPORT

To,  
The Members of  
Patel Integrated Logistics Limited.  
(formerly Patel Roadways Limited)

The Directors have pleasure in presenting their 45th Annual Report and the Audited Statement of Accounts for the year ended 31st March 2007.

#### Financial results :

The financial results as under :

	(Rs. in lakhs) Year ended 31st March, 2007	(Rs. in lakhs) Year ended 31st March, 2006
Profit before Interest, Depreciation & Tax	1439.29	1905.18
Less : Interest	404.35	404.88
Profit before Depreciation	1034.94	1500.30
Less : Depreciation	304.69	338.66
Profit before tax and extra ordinary items	730.25	1161.64
Less : Provision for tax	217.00	154.50
Less : Deferred Tax	19.73	18.56
Less : Fringe Benefit Tax	43.75	43.30
Less : Short Provision of Income Tax for earlier years	0.57	0.01
Profit after tax and before extra ordinary items	449.20	945.27
Add : Adjustment for excess depreciation provided for earlier years, due to change in the method of depreciation during the year.	500.93	—
Less: Adjustment for provision of deferred tax for earlier years due to change in the method of depreciation during the year.	166.26	—
Profit after tax and after extra ordinary items	783.87	945.27
Add : Balance of Profit from previous year	1736.91	339.71
Add : Balance of profit as on 1.04.2005, in the books of Patel On-Board Couriers Limited (POBCL) transferred to the Company upon the Amalgamation of POBCL with the Company.	—	527.63
<b>TOTAL</b>	<b>2520.78</b>	<b>1812.61</b>
<b>APPROPRIATIONS:</b>		
Equity Dividend	132.79	66.40
Tax on Dividend	22.57	9.31
Transfer to General Reserve	1000.00	—
Balance carried to Balance Sheet	1365.42	1736.90
<b>TOTAL</b>	<b>2520.78</b>	<b>1812.61</b>



#### **DIVIDEND :**

For the year under consideration, the Board of Directors have recommended a dividend @ 10% on the equity share capital of the Company.

#### **FRESH EQUITY SHARES ISSUED UPON AMALGAMATION:**

The Board of Directors, at their meeting held on 31st October, 2006, have allotted 53,86,612 equity shares (new shares) of the Company to the persons who were the shareholders of Patel On-Board Couriers Ltd. (POBCL) as on the Record Date i.e. 27th October, 2006. These new shares are allotted in the ratio of 23 new equity shares of the Company for every 20 equity shares held in POBCL, as mentioned in the Scheme of Amalgamation of POBCL with the Company.

#### **PERFORMANCE REVIEW:**

Your Company is a 'total logistics solutions provider' with products like traditional Road Freight Transport, Co-Loading of Couriers and Consolidation of Cargo both Domestic and International, Logistics and Retail Cargo movement, under its belt.

Total income earned by the Company during the year under consideration stood at Rs. 28002.20 Lacs. The profit before tax and extra ordinary items is Rs. 730.25 Lacs and Profit After Tax but before extra ordinary items is Rs. 449.20 Lacs.

The profit before tax and extra ordinary items but excluding profit on sale of investments and assets, as they are earned from activities which do not constitute regular business of the Company, rose from Rs. 392.91 Lacs for the year 2005-2006 to Rs. 701.95 Lacs for the year under consideration, an impressive growth of 78.65%.

The net worth is Rs. 6317.14 Lacs while the fixed assets base is at Rs. 2892.54 Lacs and the EPS is Rs.4.41.

The much improved bottom-line is the result of various measures taken by the Management which include vendorisation along certain routes, fixing the truck hire charges for longer duration in turn shielding the Company's bottom line from escalating fuel costs and ever increasing truck hire charges, replacement of old vehicles by new vehicles thereby increasing efficiency in operating vehicles and reducing costs, employing Company owned vehicles on all major routes thereby further reducing truck hire charges, better negotiations with airlines resulting in reduced rates for carrying courier and cargo and increase of commission from airlines. The improvement in the bottom line is also partly due to Patel Retail, the express time-bound door delivery freight service which has added to the bottom line impressively in the year under consideration as was expected by the management.

#### **FUTURE PLANS AND OUTLOOK:**

The On-Board Couriers business, in which your Company has a very strong hold continued to do well in the year under consideration. The traditional hard freight business has also done reasonably well.

'Patel Retail' the time bound, door-to-door, retail transportation service of the Company has handsomely contributed to the bottom line in the short span as was expected by the Management. The margins in the express cargo business are substantially high when compared with the normal road freight transport. In Company's case due to the use of existing infrastructure and manpower of the Company, the extra costs for operating this product are very reasonable. The management is contemplating operating Patel Retail on much larger scale in future.

The Management also sees a lot of potential in the business of movement of cargo by Air and Sea, in domestic as well as international markets, and will try to develop the same on a larger scale in future.

The Indian economy continues to advance with rapid strides and there has been large scale growth in all sectors of the economy including the industrial sector, service sector, agriculture and also the capital markets. The Government is putting extra efforts in development of infrastructure. The customers are ready to pay higher price for timely deliveries of consignments and professional handling of cargo. The general environment is very conducive to growth. Most importantly your Company with its vast infrastructure, state of the art technology, professional work force and variety of products is well poised to take advantage of such positive atmosphere.

The reconstruction and rationalization exercise carried out by the management is bearing fruits and we will strive hard to retain and enhance the Company's share in the niche areas and expand its activities in profitable business segments like express



## 45th ANNUAL REPORT 2006-2007

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cargo. The management is also on the continuous look out for new business opportunities which will add to Company's bottom line. It will also continue its initiatives in cost control and spreading of cost consciousness, controlling of outstandings, rationalization of business processes and weeding out of unprofitable ventures and profit centres.

### **SUBSIDIARY:**

The financial statements of Springfield Hotels Pvt. Ltd., the wholly owned subsidiary of the Company, for the year ended 31st March, 2007, alongwith other documents as prescribed under section 212(1) of the Companies Act, 1956 (the Act), form part of this Annual Report. A statement of Company's interest in Springfield Hotels Pvt. Ltd., as prescribed under section 212(3) of the Act, is also attached with this Report.

### **FIXED DEPOSITS:**

Fixed Deposits accepted by the Company stood at Rs. 734.75 lacs as on 31st March 2007. There were no unpaid or overdue deposits as on 31st March 2007, except unclaimed Deposits aggregating Rs. 23.65 Lacs. There has been no amount of deposits required to be transferred to the Investor Education and Protection Fund.

### **DIRECTORS :**

Mr. Asgar S. Patel and Dr. Muffazal A. Lakdawala retire by rotation at the ensuing Annual General Meeting, and being eligible have offered themselves for re-appointment.

### **AUDITORS:**

During the year under consideration the name of the Auditors of the Company changed from P. Parikh & Company to M.S.P & Company.

M.S.P. & Company retire as the Auditors of the Company at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

### **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.

### **ACCOUNTS:**

During the year under consideration the method of charging depreciation on the assets of the Company was changed from the Written Down Value method to the Straight Line method, except in case of trucks for which the depreciation was already charged on the Straight Line Method. The resultant excess depreciation, charged in the earlier years, has been written back in the Profit and Loss Account and the consequent short provision for deferred tax has been charged to it.

### **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**