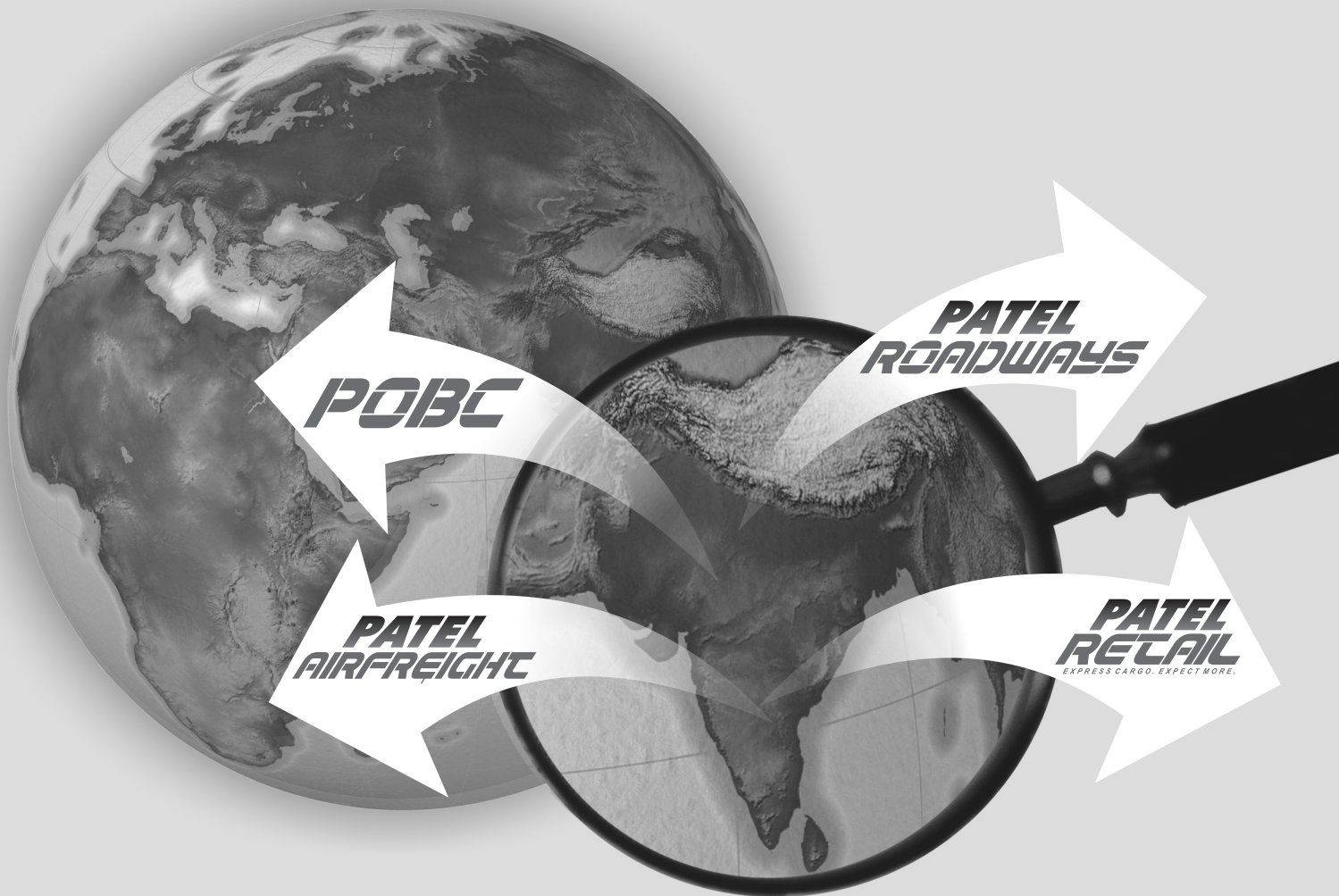


50th Annual Report 2011-2012



Logistical Reliability

BOARD OF DIRECTORS



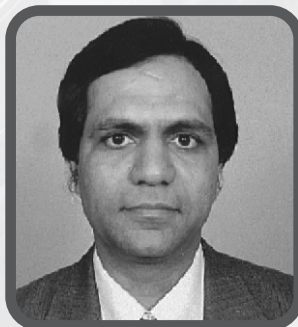
Asgar S. Patel
Chairman



Areef A. Patel
Executive Vice-Chairman



P.S.G. Nair
Director



Sandeep P. Parikh
Director



Farukh S. Wadia
Director

BOARD OF DIRECTORS

Asgar S. Patel	Chairman
Areef A. Patel	Executive Vice-Chairman
P. S. G. Nair	Director
Sandeep P. Parikh	Director
Farukh S. Wadia	Director

CHIEF FINANCIAL OFFICER

Mahesh L. Ukidave

COMPANY SECRETARY

Nitin B. Akolkar

AUDITORS

MSP & Co. Mumbai

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

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.

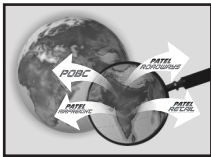
TABLE OF CONTENTS

Contents	Page Nos.
Notice and Annexure to Notice	2 - 11
Directors' Report	12 - 15
Corporate Governance Report	16 - 23
Auditors' Certificate on Corporate Governance	24
Management Discussion & Analysis Report	25 - 30
Secretarial Audit Report	31 - 32
Auditors' Report	33 - 35
Balance Sheet	36
Profit and Loss Account	37
Cash Flow Statement	38 - 39
Notes forming part of Accounts	40 - 57

50th Annual General Meeting

Friday, the 28th day of September 2012, 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



NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of the members of PATEL INTEGRATED LOGISTICS LIMITED will be held at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049, on Friday the 28th day of September 2012 at 11.00 a.m., to transact the following business:

ORDINARY 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 2012 and the Reports of the Directors and Auditors thereon.
2. To declare a dividend including special dividend on the Equity Shares.
3. To appoint a Director in place of Mr. P.S.G. Nair, 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 and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification(s), following resolution as a Special Resolution:

"RESOLVED that consent of the members be and is hereby accorded, pursuant to the provisions of section 198, 309, 269, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("The Act") to the reappointment of Mr. Areef A. Patel as the Whole-time Director of the Company (designated as "Executive Vice Chairman") for a period of three years with effect from 1st April 2012 i.e. up to 31st March 2015, on the terms and conditions, including remuneration (and minimum remuneration payable to him in case of absence or inadequacy of profits in any year), and commission as set out in the draft agreement between the Company and Mr. Areef A. Patel, produced before this meeting and, for the purpose of identification, initialed by the Chairman hereof;

RESOLVED FURTHER that the Board be and is hereby authorized to execute an agreement, in terms of the said draft, with such alterations, changes and/or variations in the remuneration payable to Mr. Areef A. Patel as may be agreed between the Directors and Mr. Areef A. Patel provided that the said remuneration as altered, changed or varied shall be within the limits prescribed there for under Section 198, 309 and / or Schedule XIII of the Act, for the time being and from time to time in force;

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to execute all such documents and to do all such acts, matters and things as it may in its absolute discretion deem necessary, expedient or proper."

Registered Office:

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

Mumbai, 30th August 2012

By order of the Board,

(Nitin B. Akolkar)
Company Secretary

NOTES:

1. 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.
2. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid.
3. Members may please bring the Attendance Slip duly filled in and hand over the same at the entrance to the Meeting Hall.
4. Corporate Members / FIs / Financial Institutions intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of the Board resolution / such other documents authorizing their representatives to attend and vote at the Annual General Meeting well in advance.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September 2012 to 28th September 2012 (both days inclusive).
6. 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.
7. Members seeking any information with regards to annual accounts are requested to write to the Company in advance so as to enable the management to keep the information ready.
8. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is enclosed herewith.
9. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividends, upto 2003-04 to the Investor Education and Protection Fund (the Fund) established by the Central Government.

Unclaimed dividend for the financial year ended 31st March 2005 will be due for transfer to the Fund on 20th October 2012 pursuant to the provisions of Section 205A of the Companies Act, 1956.

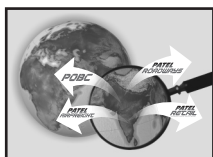
In accordance with the provisions of the said Section, no claim shall lay against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed for a period of seven years from the dates they became first due for payment and no payment shall be made in respect of any such claims.

Members should write to the Company or its Share Transfer Agent, if their dividend warrants for the year ended 31st March 2005, or any subsequent financial year(s), have not been encashed. In respect of dividend for the financial year ended 31st March 2005, it will not be possible to entertain any claim received after 10th October 2012.

10. Members are requested to send their Bank Account details on or before 26th September 2012 to the Share Transfer Agents of the Company at 'Computronics Financial Services (India) Ltd., Unit- Patel Integrated Logistics Ltd, No. 1, Mittal Chambers, Nariman Point, Mumbai - 400 021. This is to avoid the fraudulent encashment of dividend warrants.
11. The Company provides National Electronic Clearing Service (NECS) facility for the payment of dividend. Accordingly, shareholders holding equity shares in physical form are requested to send National Electronic Clearing Service (NECS) mandates, if any, in the prescribed form which is a part of this Annual Report, on or before 26th September 2012, to the Share Transfer Agents of the Company at 'Computronics Financial Services (India) Ltd., Unit- Patel Integrated Logistics Ltd, No. 1 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 26th September 2012, about the NECS mandates, if any, in the prescribed form which is a part of this Annual Report.

12. 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 NECS Mandates by way of direct credit to their respective Bank Accounts.
 - b) To shareholders who have not opted for NECS 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.



13. The Annual Report 2011-12 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.pil-india.com and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com.

INFORMATION ABOUT DIRECTORS PROPOSED TO BE REAPPOINTED

1.	NAME	Mr. P.S.G. Nair		
	AGE	68 years		
	QUALIFICATIONS	B.Sc. (Hons.), F. C. A.		
	EXPERTISE	Mr. P. S. G. Nair has four decades of rich experience in the fields of Accounts, Audit, Finance, Forex Management, Direct Taxation and Corporate Laws.		
	PARTICULARS OF APPOINTMENT / RE-APPOINTMENT	Mr. P.S.G. Nair is a Director of the Company since 29th January, 2002. He retires by rotation at the ensuing Annual General Meeting. It is proposed to re-appoint him as the Director of the Company.		
	OTHER DIRECTORSHIPS AS ON 31ST MARCH 2012	Name of the Company	Position Held	
		Patel Holdings Ltd.	Director	
		Wall Street Securities & Investments (India) Ltd.	Director	
	*CHAIRMANSHIP(S)/MEMBERSHIP(S) OF COMMITTEES AS ON 31ST MARCH 2012	Name of the Company	Type of the Committee	Position Held
		Patel Integrated Logistics Ltd.	Audit Committee	Chairman
		Patel Integrated Logistics Ltd.	Remuneration and Compensation Committee	Chairman
		Patel Integrated Logistics Ltd.	Shareholders' Grievance Committee	Chairman
		Patel Holdings Ltd.	Audit Committee	Chairman
		Patel Holdings Ltd.	Remuneration Committee	Chairman

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

2.	NAME	Mr. Areef A. Patel		
	AGE	39 years		
	QUALIFICATIONS	B.A.		
	EXPERTISE	Wide and varied experience in the fields of Transportation of Goods, Logistics, Couriers and Construction including Management and Finance. Mr. Areef Patel has successfully served the Company in the past as the Managing Director and is presently the Executive Vice-Chairman of the Board of Directors of the Company.		
	PARTICULARS OF APPOINTMENT / RE-APPOINTMENT	<p>Mr. Areef A. Patel is the Director of the Company since 18th November, 1993. Mr. Areef Patel was reappointed by the Board of Directors as the Whole-time Director (designated as Executive Vice-Chairman) of the Company with effect from 1st April 2012 subject to the approval of members at the ensuing Annual General Meeting.</p> <p>Approval of members is sought for the reappointment of Mr. Areef A. Patel as the Whole-time Director (designated as Executive Vice-Chairman) at the ensuing Annual General Meeting.</p>		
	OTHER DIRECTORSHIPS AS ON 31ST MARCH 2012	Name of the Company	Position Held	
		Natasha Constructions Pvt. Ltd	Director	
	*CHAIRMANSHIP(S)/MEMBERSHIP(S) OF COMMITTEES AS ON 31ST MARCH 2012	Name of the Company	Type of the Committee	Position Held
		Patel Integrated Logistics Ltd.	Audit Committee	Member

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

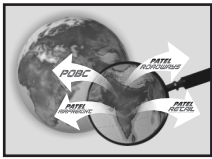
Registered Office:

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

Mumbai, 30th August 2012

By order of the Board,

(Nitin B. Akolkar)
Company Secretary



ANNEXURE TO THE NOTICE

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

Item no. 5

Your Directors have, subject to the approval of the Company's members in the General Meeting, reappointed Mr. Areef A. Patel as the Whole-time Director of the Company (designated as 'Executive Vice-Chairman') for a period of three years with effect from 1st April 2012, on the terms and subject to conditions set out in the draft agreement referred to in the Resolution at item no. 5 of the Notice. The material terms, including remuneration, of the said Agreement are as follows:

(A) PERIOD :

Three years with effect from 1st April 2012 up to 31st March 2015.

(B) REMUNERATION:

- a) A Basic Salary of Rs. 2,65,000/-, with liberty to the Board to grant or withhold increments as deemed fit;
- b) Use of furnished residential accommodation, owned, leased or licensed by the Company OR a House Rent Allowance of Rs. 25,000/- per month in lieu thereof as per the rules of the Company for the time being and from time to time in force;
- c) Reimbursement of gas, electricity and water charges and furnishings evaluated as provided for in the Income Tax Rules, 1962 subject to a ceiling of 10% of the salary;
- d) Use of motor cars with driver for Company's business;
- e) 24 days privilege leave with full pay and allowances for each completed year of service, the said leave being accumulatable as per the rules of the Company but encashable only at the end of the tenure;
- f) 10 (ten) days' sick leave and 6 (six) days casual leave for each completed year of service, the said leave being accumulatable as per the rules of the Company but not encashable;
- g) Benefit of 1st Class airline/ air-conditioned train and/or such other mode of conveyance as the Executive Vice-Chairman may opt for, for self and family, while proceeding on leave, together with hotel, boarding and lodging expenses incurred at actuals provided that such benefit shall not exceed Rs. 1,75,000/- per year;
- h) Personal accident insurance cover at the cost of the Company, provided the actual premium thereof does not exceed Rs. 10,000/- per year;
- i) Reimbursement of actual medical expenses incurred by the Executive Vice-Chairman for self and family provided that the total cost to the Company shall not exceed Rs. 1,00,000/- per year;
- j) Group Medical Insurance Premium OR reimbursement of medical insurance premium paid by the Executive Vice-Chairman OR Payment of medical insurance premium by the Company on behalf of the Executive Vice-Chairman, on his health or on the health of his spouse or child, provided that the amount of medical insurance premium so reimbursed to the Executive Vice-Chairman and / or paid on his behalf shall not exceed Rs. 30,000/- per year;
- k) Benefit of the Company's Provident Fund Scheme for the time being and from time to time in force;
- l) Gratuity in accordance with the Rules of the Company;
- m) Benefit of Company's Superannuation or Annuity Fund Scheme, if any, which the Company may establish in future for other senior officers of the Company;
- n) Use of a telephone at the Executive Vice-Chairman's residence and a mobile phone, provided that the Executive Vice-Chairman shall bear and pay all charges incurred in respect of long distance calls, made by him on personal account;

- o) Fees (including entrance & subscription) of clubs the Executive Vice-Chairman is or may become member of, subject to a maximum of two clubs.

The Company shall also reimburse to the Executive Vice Chairman, entertainment, travelling and all other expenses actually & properly incurred by him for business of the Company and on behalf of the Company.

The remuneration including the perquisites above mentioned shall, nevertheless, be paid and allowed to the Executive Vice-Chairman as minimum remuneration for any financial year in case of absence or inadequacy of profits, subject to the condition that such remuneration shall not, without the approval of the Central Government, if required, exceed Rs. 42,00,000/- per year or Rs. 3,50,000/- per month computed on the basis of the effective capital of the Company as defined in the Explanation I under section II of part II to Schedule XIII of the Companies Act, 1956, as in force for the time being or as amended in future.

The perquisites mentioned above shall be interchangeable within the overall ceiling as mentioned above on the annual salary of Mr. Areef A. Patel.

Provided further that the under mentioned perquisites, namely:

- (a) contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, singly or put together, are not taxable under the Income-tax Act, 1961;
- (b) Gratuity payable at the rate not exceeding half a months salary for each completed year of service; and
- (c) encashment of leave, at the end of the Executive Vice-Chairman's tenure of service,

shall not be included in the computation of the above mentioned ceiling on remuneration i.e. Rs. 42,00,000/- per year or Rs. 3,50,000/- per month.

Subject to the provisions of section 198 and section 309 of the Companies Act, 1956 (The Act) , a commission @ 1% of the profits computed as per the provisions of section 349 of Act, or such other percentage as may be decided by the Board of Directors from time to time, may also be paid to the Executive Vice-Chairman in the year of adequate profits,

provided that the amount of remuneration paid as mentioned herein above and the amount of commission so paid together shall not exceed five per cent of the net profits for one such managerial person and if there is more than one such managerial person, ten per cent for all of them taken together.

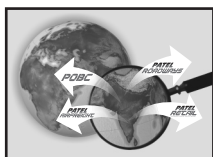
(C) OTHER MAJOR TERMS:

- (i) The Executive Vice-Chairman shall not divulge or disclose any confidential information or knowledge as to the business and affairs of the Company;
- (ii) In the event of death of the Executive Vice-Chairman, during the term of the Agreement, the Company shall pay to his legal heirs, his full salary and other emoluments for that month and for three months thereafter;
- (iii) Both parties are entitled to terminate the agreement by giving 90 days notice in writing, without assigning any reasons.

Mr. Areef A. Patel is a Bachelor of Arts and has more than a decade of rich and varied experience in various fields like Transportation of Goods, Logistics, Couriers, Co-Loading and Construction.

Mr. Areef A. Patel has, in the past, successfully served the Company as it's Managing Director and is presently the Executive Vice-Chairman of the Board of Directors of the Company.

The reappointment and payment of remuneration to Mr. Areef A. Patel has been approved by the Remuneration Committee of the Board of Directors of the Company at their meeting held on 20th March, 2012. The Remuneration Committee, while approving the reappointment of and remuneration payable to Mr. Areef A. Patel as the Executive Vice-Chairman, took in to account the financial position of the Company, trend in the Industry, experience and expertise of Mr. Areef A. Patel as well as his past performance and past remuneration.



50th ANNUAL REPORT 2011-2012

The remuneration payable to Mr. Areef A. Patel as per the Agreement, complies with the requirements of Schedule XIII of the Companies Act, 1956 and falls within limits as specified in table (B) of clause 1 of Section I of part II of the said Schedule XIII.

Your Directors are of the view that the reappointment of Mr. Areef A. Patel as the Executive Vice-Chairman is in the interest of the Company and shareholders and accordingly, recommend the resolution at item no. 5 of the Notice for the approval of members.

The draft agreement between the Company and Mr. Areef A. Patel is available for the inspection of members at the Registered Office of the Company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays.

The information as required under table B of Clause 1 of section II of Part II of Schedule XIII to the Companies Act, 1956 is given below :

I General Information :

Nature of industry :

The Company is mainly engaged in the business of Transportation of Goods, Co-Loading of Airfreight, and Logistics.

The date of commencement of commercial production or services :

The services of the Company commenced on the date of its incorporation i.e. 22nd June, 1962.

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :

NotApplicable

Financial performance based on given indicators as per audited financial statements for the year ended 31st March, 2012

Particulars	Amount (Rs. in Lacs)
Total Income	45383.05
Profit Before Tax	498.31
Profit After Tax (inclusive of extra ordinary items)	268.27
Net Worth	8783.74

Export performance and net foreign exchange collaborations :

NotApplicable

Foreign investments or collaborators, if any :

NotApplicable