

14th ANNUAL REPORT 2001-2002



**PATEL**  
**ON-BOARD COURIERS**  
**LIMITED**



SANSCO SERVICES Limited Services - www.sansco.net

# BOARD OF DIRECTORS

Asgar S. Patel

Chairman



Arif A. Patel

Director



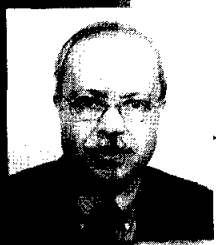
Dadi K. Contractor

Director



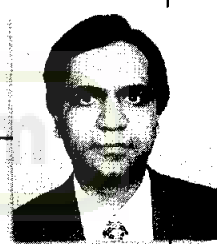
Ashok Vaish

Director



Sandeep P. Parikh

Director



Michael Mascarenhas

Director





**PATEL  
ON-BOARD COURIERS  
LIMITED**

#### BOARD OF DIRECTORS

Asgar S. Patel	..	Chairman
Arif A. Patel	..	Director
Dadi K. Contractor	..	Director
Ashok Vaish	..	Director
Satish Jacob	..	Director
Sandeep P. Parikh	..	Director
Michael Mascarenhas	..	Director

#### HEAD OFFICE

'Patel House', Plot No.48,  
Near Suraj Bldg., Gazdhar Bandh,  
North Avenue, Santacruz (West),  
Mumbai - 400 054

#### COMPANY SECRETARY

Haroon Mansuri

#### REGISTRARS & SHARE TRANSFER AGENTS

Intime Spectrum Registry Ltd.  
260, Shanti Industrial Estate,  
Sarojini Naidu Road,  
Mulund (West), Mumbai - 400 080

#### AUDITORS

RSM & Co. .. Mumbai

#### LEGAL ADVISOR

F. S. Broacha .. Mumbai

#### BANKERS

Bank of Bahrain & Kuwait B. S. C.  
The Dhanalakshmi Bank Ltd.  
Central Bank of India

#### REGISTERED OFFICE

"Natasha"  
52, Hill Road, Bandra (West),  
Mumbai - 400 050

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#### 14th Annual General Meeting

On Wednesday, the 25<sup>th</sup> day of September, 2002 at 12.30 pm at Rotary Club of Bombay (West),  
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



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## NOTICE

**NOTICE** is hereby given that the **14<sup>th</sup> ANNUAL GENERAL MEETING** of the Members of **PATEL ON-BOARD COURIERS LIMITED** will be held at Rotary Club of Bombay (West), Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049 on Wednesday, the 25th day of September, 2002 at 12.30 pm 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 31<sup>st</sup> March, 2002 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Jacob who retires by rotation and being eligible, offers himself for re-appointment.
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 Auditors to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting 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** no person or persons be appointed as Auditors in lieu and stead of the retiring Auditors, M/s. RSM & Company, Chartered Accountants, who have given a notice in writing to the Company stating their unwillingness to be re-appointed as Auditors :

**"RESOLVED THAT** M/s P. Parikh & Co., Chartered Accountants, Mumbai, be and are hereby appointed as Auditors of the Company in place of the retiring Auditors M/s RSM & Co., Chartered Accountants, Mumbai to hold the office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

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

**"RESOLVED that** Mr. Micheal Mascarenhas, 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 his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

By Order of the Board  
For **PATEL ON-BOARD COURIERS LIMITED**

**Haroon Mansuri**  
Company Secretary

### REGISTERED OFFICE :

'Natasha' 52, Hill Road,  
Bandra (West),  
Mumbai - 400 050.  
Dated : August 09, 2002

### 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 OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 19<sup>th</sup> September, 2002 to 25<sup>th</sup> September, 2002 (both days inclusive).
4. Members are requested to advise the Company immediately of any change in their address, if any, quoting folio number.
5. Members are advised to consolidate their Ledger Folios where they are holding shares in different folios in the same sequence of name(s).
6. Members are requested to bring the copy of their Annual Report and Attendance Slip at the Annual General Meeting.
7. Shareholders are hereby informed that pursuant to the amendment of the Companies Act, 1956 w.e.f. 31.10.1998, the Company will be obliged to transfer any money lying in the Unpaid Dividend Account, to the credit of the Investors' Education and Protection Fund ( "the Fund" ) established by the Central Government. In accordance with Section 205 C of the Companies Act, 1956 no claim shall lie against the Company or Fund in respect of individual amounts of dividends from the date they become first due for payment and no payment shall be made in respect of any claim. Accordingly unclaimed dividend for the financial year 1994-95 will be transferred to Investors' Education and Protection Fund in the month of November, 2002



### Information about Directors proposed to be appointed / re-appointed

1. a) **NAME** : MR. MICHAEL MASCARENHAS
- b) **AGE** : 41 YEARS
- c) **QUALIFICATIONS** : B. Com. A.C.A., M.B.A. (Bradford Management Centre, U.K.), Certified Internal Auditor ( Institute of Internal Auditors, U.S.A)
- d) **EXPERTISE** : Vast experience in the fields of Corporate Finance, Investments Fund Administration, Audit & Computer Applications.
- e) **PARTICULARS OF APPOINTMENT / RE-APPOINTMENT** : Appointed as the Director of the Company with effect from 29th January, 2002 proposed to be appointed as the Director of the Company at the ensuing Annual General Meeting.
- f) **OTHER DIRECTORSHIPS** : Wallstreet Derivatives Incorporation, USA  
Wallstreet Finance Ltd.
  
2. a) **NAME** : MR.SATISH JACOB
- b) **AGE** : 72 yrs
- c) **QUALIFICATION** : M.A.
- d) **EXPERTISE** : Vast experience in Electronic and Print Journalism.
- e) **PARTICULARS OF APPOINTMENT / RE-APPOINTMENT** : Director of the Company since July,99. Mr Satish Jacob is retiring by rotation at the ensuing Annual General Meeting and is proposed to be reappointed as a Director of the Company at the said meeting.
- f) **OTHER DIRECTORSHIPS** : Nil
  
3. a) **NAME** : MR. ASGAR S. PATEL
- b) **AGE** : 63 yrs
- c) **QUALIFICATION** : B.A.
- d) **EXPERTISE** : One of the pioneers of the organized transportation of goods in India with vast experience in the fields of Finance,Forex, Couriers, Construction and Logistics.
- e) **PARTICULARS OF APPOINTMENT / RE-APPOINTMENT** : Mr A.S. Patel, the Chairman of the Company since April 1994, retires by rotation at the ensuing Annual General Meeting and is proposed to be re-appointed as the Director of the Company
- f) **OTHER DIRECTORSHIPS** : A. Patel Roadways Ltd. Chairman  
B. Wall Street Finance Limited Chairman  
C. Wall Street Housing & Finance Corporation Ltd Chairman  
D. Wall Street Securities & Investments (India) Ltd Chairman  
E. Wall Street.Com India Ltd Chairman  
F. Springfield Hotels Ltd. Chairman  
G. Wall Street Forex Pvt Ltd Chairman  
H. Natasha Constructions Ltd. Director  
I. Patel Institute of Transport Mgmt & Research Director  
J. Money Changers Association Director

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT

(As required by section 173 of the Companies Act, 1956)

#### Item No.5

Mr. Micheal Mascarenhas was appointed by the Board of Directors as an Additional Director with effect from 29<sup>th</sup> January, 2002 under Section 260 of the Companies Act, 1956, Mr. Micheal holds office only upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956, alongwith a deposit of Rs.500/- from a member signifying his intention to propose the name of Mr. Micheal Mascarenhas as a candidate for the office of Director. Mr. Micheal Mascarenhas is a Chartered Accountant & has over 15 years experience in Finance, Investments & Audit as Corporate Executive. Your Directors are of the view that Mr. Micheal Mascarenhas appointment as a Director will be in the interest of the Company and its shareholders. Accordingly, the resolution at Item No.'5' is recommended for your acceptance.

Except Mr. Micheal Mascarenhas none of the other Directors is concerned or interested in the passing of this resolution.

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**PATEL  
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## DIRECTORS' REPORT

To,  
The Members of  
Patel On-Board Couriers Limited

The Directors have pleasure in presenting the 14th Annual Report and the Audited Statement of Accounts of your Company for the year ended March 31, 2002.

### FINANCIAL RESULTS

	Year ended March 31,2002 (Rupees)	Year ended March 31,2001 (Rupees)
Profit before Interest, Depreciation and Tax	32,659,430	27,023,710
Less : Interest	14,029,998	10,692,668
Profit before Depreciation and Tax	18,629,432	16,331,042
Less : Depreciation	3869,396	4,888,843
Profit before Tax	14,760,036	11,442,199
Less : Provision for Current Tax	5,500,000	4,200,000
Profit after Current Tax	9,260,036	7,242,199
Less : Provision for Deferred tax	825,493	-
Short Provision of earlier years	3,442,913	178,106
Profit after tax	4,991,630	7,064,093
Add : Balance of profit from previous year	52,178,078	45,867,743
Profit available for appropriation	57,169,708	52,931,836
<b>APPROPRIATIONS OF PROFITS</b>		
Transfer to General Reserve	21,900,000	753,758
Balance carried to Balance Sheet	35,269,708	52,178,078
	57,169,708	52,931,836

### DIVIDEND

With a view to conserve the resources for future requirements, your Directors have decided not to recommend dividend on the Equity Shares for the year under consideration.

### RESULTS

The Company recorded an increase in turnover by 27 % from Rs. 8868.78 Lacs to Rs. 11,225.55 Lacs during the year under review. However margins were under pressure due to high operation cost of airlines in the market and increase air ticket cost charged by airlines on courier loads as compared to earlier years. The Company could earn a Profit before Interest, Depreciation and Tax of Rs. 326.59 Lacs as against Rs.270.24 Lacs during the previous year.

### OPERATIONS

#### Co-loading

During the year under review the turnover in Co-

loading business amounted to Rs.10662.53Lacs compared to Rs.8,332.90 Lacs during the previous year. The Company continues to be the Market Leader in the Co-loading business.

#### Tours & Travel Division

With the division changing its focus to Corporate Clients the Gross Income of this division stood at Rs. 300.96 Lacs as compared to Rs.323.76 Lacs during the previous year.

#### Cargo Division

The Cargo Division recorded a Gross Income of Rs. 251.87 Lacs as compared to Rs.191.67 Lacs during the previous year .

#### Forex

The income generated out of this line of business amounted to Rs. 9.35 Lacs as against Rs.17.54 Lacs during the previous year. The company hopes for increasing the business in the years to come.



## DIVERSIFICATION

In line with the domestic cargo business, the Company has started a new line of business in the name of **Patel Express** which will undertake the business of Express Cargo by surface mode. The management is of confidence that this new line of business will improve bottom line in future as the Company has all set infrastructure facilities at the Branches of Patel Airfreight.

Western Union Financial Services have established as a Market Leader for inward remittance across the world. The Company has been appointed as a sub-agent for one of the main agents in India. The prospects for this business is commendable and also is a fee based activity. The directors feel that this business should improve the bottom line of the company in the coming years without any additional infrastructure cost.

## PROSPECTS

The future prospects of your Company appear to be very bright in view of aggressive marketing strategy adopted by the Company to increase the tonnage and revenue in the co-loading both domestic and international and Air cargo divisions.

The Company has identified Cargo ( Air & Express) Division as a thrust area and has initiated steps for the diversifying in the business of Domestic Cargo.

## FIXED DEPOSITS

Your Company has accepted Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956 and has collected Rs 143.17 Lacs during the year. There were no unpaid or overdue deposits as on March 31, 2002 except unclaimed deposits.

The Company has filed Text of Advertisement with the Registrar of Companies, Maharashtra and also issued an advertisement in new papers for mobilization of Fixed Deposits from public.

## DIRECTORS

Mr. Satish Jacob & Mr.Asgar Patel, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr.Micheal Mascarenhes was appointed as an Additional Director of the Company with effect from 29<sup>th</sup> January,2002. Mr. Micheal vacates the office of Director at the ensuing Annual General Meeting. The Company has received a notice proposing the candidature of Mr. Micheal as the Director of the Company. Mr. Micheal, being eligible has offered himself for appointment as a Director of the Company. Mr.Sushil Kumar, a whole time Director designated

as Vice Chairman of the Company has resigned from Directorship in November , 2001. The Board of Directors place on record the valuable contribution of Mr..Sushil Kumar to the Company during his tenure as a whole time Director of the Company.

## AUDIT COMMITTEE

The Companies (Amendment) Act, 2000, inserted Section 292A in the Companies Act, 1956 making it mandatory for the Public Companies with a Paid-up Capital of Rupees Five Crores or more, to form a Committee of Directors as Audit Committee. Provision in respect of Audit Committee has also been incorporated by SEBI in the Code on Corporate Governance introduced by them. Your Directors feel that the intention of the law makers in bringing about this provisions in laudable and will definitely contribute towards more transparency and rationalization of the Annual Accounts of Companies.

We have already formed the Audit Committee of the Board of Directors of the Company. The Committee comprises of three Members from the Board of Directors of the Company i.e. Mr.Sandeep P. Parikh, Mr.Arif A. Patel and Mr.D.K.Contractor, and is headed by Mr. Sandeep P. Parikh as the Chairman of the Committee.

## AUDITORS

It is proposed to appoint M/s P.Parikh & Co., Chartered Accountants, Mumbai as Auditors of the Company in place of the retiring Auditors, M/s. RSM & Co. , Chartered Accountants, Mumbai. The retiring Auditors have expressed their inability to seek re-appointment as statutory auditors of the Company after conclusion of the ensuing Annual General Meeting. The Board of Directors would like to thank M/s. RSM & Co., Chartered Accountants, Mumbai the outgoing auditors of the Company for their services rendered to the Company during their long association as Statutory Auditors of the Company.

## AUDITORS REPORT

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

## CORPORATE GOVERNANCE

The Securities & Exchange Board of India (SEBI) brought out the Code on Corporate Governance in April, 2000. The provisions of Corporate Governance will be applicable to all the Companies listed on the Stock Exchange, in a phased manner. As per the schedule of implementation envisaged by SEBI, your Company has to implement the provisions of the Code by March 31, 2003. However, your Directors feel that the Code on





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Corporate Governance will go a long way in bringing about the much needed transparency in presentation of information to the shareholders. With this objective, we have already made the beginning by formation of the Audit Committee of the Board of Directors of the Company and also committees like ShareHolders Grievances Committee and Directors Remuneration Committee. We have also enclosed with this Report a statement giving the general information about the Company, for the benefit of our shareholders.

**PARTICULARS REQUIRED TO BE FURNISHED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**

**INFORMATION AS REQUIRED u/s 217 (1) (e) OF THE COMPANIES ACT, 1956**

**PART A & B : CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:**

The Company being a service Company particulars relating to Conservation of energy and Technology Absorption are not applicable.

**PART C : FOREIGN EXCHANGE EARNINGS AND OUTGOINGS :**

	Year ended March 31,2002 Rupees	Year ended March 31,2001 Rupees
<b>Earnings in</b>		
<b>Foreign Exchange</b>		
Recovery of Ticketing		
and other expenses	12,466,718	12,448,576
F. O. B. value of Export	-	222,838
<b>Expenditure in Foreign</b>		
<b>Currency</b>		
Travelling	2,323,107	229,936
Others	40,103	59,916

**PERSONNEL & HUMAN RESOURCES**

The Directors sincerely appreciate the efforts put in by the Managers and Employees of the Company at all levels and thank them for their contribution to the overall results during the year.

**For and on Behalf of the Board  
For Patel On-Board Couriers Ltd.**

**Arif A. Patel**  
Director

**D.K. Contractor**  
Director

**Sandeep Parikh**  
Director

**Ashok Vaish**  
Director

**Haroon Mansuri**  
Company Secretary

**REGISTERED OFFICE :**

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

Dated : August 09 ,2002.

**PARTICULARS OF THE EMPLOYEES**

The information required under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are not applicable to the Company as none of the employees is in receipt of remuneration which exceeds the limits laid down under the said Rules.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

The Board of Directors of the Company confirm that :

- in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure ;
- selected such accounting policies were applied consistently and the Directors made judgments 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 March 31, 2002 and of the profit of the Company for the year ended on that date;
- 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 ;
- the Annual Accounts have been prepared on a going concern basis.

**ACKNOWLEDGMENTS**

The Directors place on record their appreciation of the continued support and co-operation received from the Bankers, Customs Authorities, Airlines Customers, other suppliers and look forward to their continued support for the progress of your Company during the years to come.

**GENERAL SHAREHOLDER INFORMATION**

1. Annual General Meeting for the year 2002, is scheduled to be held on 25th September, 2002 at 12.30 p.m. at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.
2. The book closure will be from 19<sup>th</sup> September, 2002 to 25<sup>th</sup> September, 2002 (both says inclusive).
3. The equity shares of the Company are listed on the Stock Exchanges at Ahmedabad, Chennai ,Cochin, Delhi , Kolkata & Mumbai.
4. Your Company has signed agreements with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the necessary activation process is complete. Shareholders can now hold / trade the equity shares of the Company in the dematerialised form.
5. The share transfer work of the Company is being looked after by the Share Transfer Agents of the Company i.e. Intime Spectrum Registry Ltd., having its office at 260, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (West), Mumbai – 400 080. The Share Transfer Agents (STA) have the required infrastructure to carry out the share transfer work for the shares in the physical as well as the dematerialised form including the necessary connectivity with both the depositories mentioned above.
6. The distribution of the equity shares as on March 31, 2002 of the Company is given below :

NO. OF SHARES	NO. OF SHARE HOLDERS	% OF SHARE HOLDERS	SHARE HOLDINGS	% OF SHARES HELD
UP TO 500	13,133	95.96	1,705,595	36.19
501 - 1000	378	2.76	299,000	6.35
1001 - 2000	92	0.67	143,464	3.04
2001 - 3000	33	0.24	84,430	1.79
3001 - 4000	10	0.07	37,200	0.79
4001 - 5000	11	0.08	52,300	1.11
5001 - 10000	9	0.07	71,000	1.51
10001 AND ABOVE	20	0.15	2,319,511	49.22
<b>Total</b>	<b>13686</b>	<b>100.00</b>	<b>4,712,500</b>	<b>100.00</b>

7. Shareholding pattern of the Company is as on March 31,2002 as under :

CATEGORY	NO. OF SHARES HELD	% OF SHAREHOLDING
Promoters' Holding (Including Indian and NRI Promoters and Group Companies)	2,159,700	45.83
Mutual Funds	6,600	0.16
Corporate Bodies (Other than Group Companies)	94,600	2.01
Non-Resident Indians (Other than Promoters)	420,800	8.94
Indian Public	2,030,800	43.06
<b>Total</b>	<b>4,712,500</b>	<b>100.00</b>