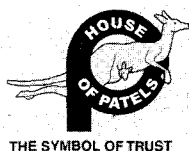


# 2004-2005



**PATEL**  
**ON-BOARD COURIERS LTD.**

## 17th Annual Report

# Board of Directors

**Asgar S. Patel** Chairman



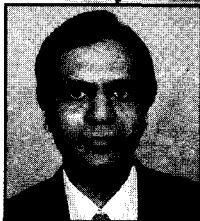
**Arif A. Patel** Vice-Chairman



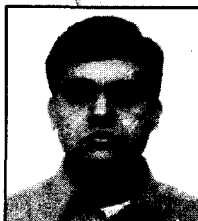
**Dadi K. Contractor** Director



**Sandeep P. Parikh** Director



**Basab Paul** Director





## BOARD OF DIRECTORS

Asgar S. Patel	.. Chairman
Arif A. Patel	.. Vice-Chairman
Dadi K. Contractor	.. Director (upto 30th April, 2005)
Sandeep P. Parikh	.. Director
Basab B. Paul	.. Director

## VICE PRESIDENT - FINANCE & ACCOUNTS AND COMPANY SECRETARY

Mahesh Ukidave

## REGISTRARS & SHARE TRANSFER AGENTS

Intime Spectrum Registry Ltd.  
C-13 Pannalal Silk Mills Compound,  
L B S Marg, Bhandup (West),  
Mumbai - 400 078

## AUDITORS

P. Parikh & Co. .. Mumbai

## LEGAL ADVISORS

M/s. Crawford Bayley & Co. .. Mumbai  
F. S. Broacha .. Mumbai

## BANKERS

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

## REGISTERED OFFICE

"Patel House" Plot No.48,  
Near Suraj Bldg., Gazdar Bandh,  
North Avenue Road,  
Santacruz (W), Mumbai - 400 054.

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## 17th Annual General Meeting

On Tuesday, the 27<sup>th</sup> day of September, 2005 at 11.30 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 17<sup>th</sup> ANNUAL GENERAL MEETING of the Members of PATEL ON-BOARD COURIERS LIMITED will be held at Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai- 400049 on Wednesday the 27<sup>th</sup> September, 2005 at 11:30 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2005 and Profit and Loss Account for the year ended on that date, the Reports of the Directors and Auditors thereon.
2. To sanction the declaration and payment of Dividend on the Equity Shares for the year ended 31<sup>st</sup> March, 2005.
3. To appoint a Director in place of Mr. Sandeep P. Parikh who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint P. Parikh & Co. as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be mutually agreed upon by the Board of Directors and the Auditors.

### SPECIAL BUSINESS

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

"RESOLVED that subject to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, and limits laid down therein read with Schedule XIII thereof as amended and subject to such other approvals as may be necessary, the approval of the members be and hereby accorded to the appointment and terms of remuneration of Mr. Trevor A. Saldanha as Chief Executive Officer-International Operations of the Company for a period of two years and 59 days with effect from 1<sup>st</sup> February, 2005 upon the terms and conditions set out in the draft agreement submitted to this meeting and for identification initialled by the Chairman.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary the terms and conditions of appointment including determination of remuneration payable to Mr. Trevor A. Saldanha, Chief Executive Officer – International Operations in such manner as the Board of Directors in its absolute discretion deem fit provided that the remuneration payable to Mr. Trevor A. Saldanha shall be within the limits specified in Schedule XIII of the Companies Act, 1956 as amended.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all such acts as may be necessary, desirable and expedient to give effect to this resolution."

6. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED that subject to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, and limits laid down therein read with Schedule XIII thereof as amended and subject to such other approvals as may be necessary, the approval of the members be and hereby accorded to the appointment and terms of remuneration of Mr. Hari V. Nair as Chief Executive Officer-Domestic Operations of the Company for a period of two years and 59 days with effect from 1<sup>st</sup> February, 2005 upon the terms and conditions set out in the draft agreement submitted to this meeting and for identification initialled by the Chairman.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to vary the terms and conditions of appointment including determination of remuneration payable to Mr. Hari V. Nair, Chief Executive Officer – Domestic Operations in such manner as the Board of Directors in its absolute discretion deem fit provided that the remuneration payable to Mr. Hari V. Nair shall be within the limits specified in Schedule XIII of the Companies Act, 1956 as amended.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all such acts as may be necessary, desirable and expedient to give effect to this resolution."

7. To consider, and, if thought fit, to pass with or without modification(s) the following as special resolution by way of a majority in number representing three-fourth in value of the shareholders of the Company



"RESOLVED THAT pursuant to the provisions of section 17 of the Companies Act, 1956 (the "Act") (including any statutory modifications(s) or re-enactment thereof, for the time being in force) and other applicable laws and applicable provisions, if any, and subject to the approval of all statutory and other authorities and such other approvals, consents, permissions and sanctions and the like as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting approvals, consents, permissions, sanctions and the like which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorized Committee thereof for the time being exercising the powers conferred by the Board), the consent, permission and approval of the Company be accorded to alter the Memorandum of Association of the Company by adding new clause 24A after the existing clause 24 of the Memorandum of Association of the Company:

"24A. To enter into amalgamation, merger, demerger, restructuring, scheme of arrangement, spin off or setting divisions of the Company for sharing profits, union of interests, co-operation, joint venture or reciprocal concession, or for limiting competition with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company."

#### REGISTERED OFFICE :

"Patel House", Plot No.48,  
Near Suraj Building,  
Gazdar Bandh, North Avenue Road,  
Mumbai 400 054.  
Dated: August 18, 2005

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

**Mahesh Ukidave**  
Vice President- Finance & Accounts  
and Company Secretary

#### NOTES :

- The relative explanatory statement as required by Section 173(2) of the Companies Act, 1956, in regard to item no. 5, item no. 6 and item no. 7 is annexed hereto.
- 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. PROXIES MUST REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2005 to September 27, 2005 (both days inclusive)
- Pursuant to the provisions of Section 205C of the Companies Act, 1956, the Company has transferred dividends for the year ended 31<sup>st</sup> March, 1997 which have remain unpaid or unclaimed for a period of 7 years to the Investor Education and Protection Fund in November, 2004. Accordingly, 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.

Given below are the dates of declaration of dividend and the date on which the company is required to transfer the unclaimed dividend to the said fund.

Financial Year	Date of Declaration	Due date of Transfer to IEPF
1999/2000	25 <sup>th</sup> September, 2000	5 <sup>th</sup> November, 2007
2003/2004	29 <sup>th</sup> September, 2004	29 <sup>th</sup> October, 2011

Hence, members are requested to send their unencashed Dividend Warrants to the Company for issue of fresh Dividend Warrants.

- Members are requested to:

- intimate to the Company or its present Registrar and Share Transfer Agents viz. Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, change if any, in their registered address at an early date;



- (ii) quote folio numbers in all correspondence;
- (iii) Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting;
- (iv) Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio;

#### INFORMATION ABOUT DIRECTORS PROPOSED TO BE APPOINTED/REAPPOINTED

<b>1. NAME</b>	: Mr. Sandeep P. Parikh		
<b>AGE</b>	: 45 yrs		
<b>QUALIFICATION</b>	: B.Com., F.C.A., Grad C.W.A.		
<b>EXPERTISE</b>	: In Bank, Govt. & Corporate Audits. Rich experience in Project Reporting with specialization in Finance & Consultancy and liaison activities.		
<b>PARTICULARS OF APPOINTMENT/RE-APPOINTMENT</b>	: Mr. Sandeep P Parikh is the Director of the Company since April 2001, retires by rotation at the ensuing Annual General Meeting and is proposed to be re-appointed as the Director of the Company.		
<b>OTHER DIRECTORSHIPS</b>	<b>NAME OF THE COMPANY</b>	<b>POSITION HELD</b>	
	Wall Street Securities & Investment (India) Ltd.	- Director	
	Y Point Technologies (I) Ltd.	- Director	
	Y Point India Pvt. Ltd	- Director	
	Xoriant Solutions Pvt. Ltd.	- Director	
	Tekedge (India) Pvt Ltd.	- Director	
	Tekedge Services (I) Pvt. Ltd.	- Director	
	World Wide Instant Remittances Pvt. Ltd.	- Director	
	Lyka Laboratories Ltd.	- Director	
	Metrix Lines Software & Web Development Pvt.Ltd	- Director	
<b>CHAIRMANSHIP(S) /MEMBERSHIP(S) OF COMMITTEE AS ON 31.03.2005:</b>	<b>NAME OF THE COMPANY</b>	<b>COMMITTEE</b>	<b>POSITION HELD</b>
	Patel On-Board Couriers Ltd	Audit	- Chairman
	Patel On-Board Couriers Ltd	Remuneration	- Member
	Patel On-Board Couriers Ltd	Investor's Grievances	- Chairman





## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT U/S 173(2) OF THE COMPANIES ACT, 1956

#### Item No. 5

The Company has two primary operating divisions, namely Coloadung and Cargo which is further geographically spread in to domestic and international operations. The Board of Directors felt that in order to expand business operations the Company it would advisable to have the domestic operations and the international operations managed separately. This would ensure focused attention on the operations thereby accelerating the process of growth.

Accordingly, Mr. Trevor A. Saldanha was appointed as Manager under the Companies Act (designated as "Chief Executive Officer-International Operations") and Mr. Hari V. Nair, as Manager under the Companies Act (designated as "Chief Executive Officer-Domestic Operations") subject to the approval of the Company's members in the General Meeting, for a period of two years and 59 days with effect from 1<sup>st</sup> February, 2005. The draft Agreements provides for the following condition and terms, including remuneration.

#### A) REMUNERATION

- a) Salary of Rs. 78,550/- (including dearness allowance, if any) per month with liberty to the Board to withhold increments or to grant more than one increment per year;
- b) Perquisites:
  - i) use of motorcar owned by the Company, with driver, for the Company's business. All expenses for the maintenance and running of the motor car shall be borne and paid by the Company, subject to a maximum of Rs.7,000/- p.m. (Rs. 84,000/- p.a.) and additional Rs. 5,100/- p.m. (Rs.61,200/- p.a.) towards Driver's salary which is subject to increment of Rs.300/- p.m. (Rs. 3,600/- p.a.) with effect from April 01, 2005.
  - ii) reimbursement of conveyance expenses incurred subject to a maximum of Rs. 3,000/- p.m. (Rs. 36,000/- p.a.).
  - iii) insurance cover under the mediclaim policy for self of Rs. 1,00,000/-, for spouse Rs. 1,00,000/- and for child Rs. 50,000/- subject to maximum of two children.
  - iv) 24 (twenty four) days' privilege leave with full pay and allowances for each completed year of service, the said leave being accumulatable, subject to maximum of 96 days and encashable in accordance with the rules of the Company for the time being and from time to time in force;
  - v) 10 (ten) days' sick leave and 6 (six) days' casual leave for each completed year of service, the said sick leave being accumulatable up to a maximum of 90 days. However, the sick and casual leave will not be encashable in accordance with the rules of the Company for the time being and from time to time in force;
  - vi) personal accident insurance cover at the cost of the Company shall not exceed thirty months basic Salary;
  - vii) reimbursement of medical expenses incurred by the Manager for self and family (i.e. wife, dependent children and dependent parent's), provided that the total cost to the Company shall not exceed Rs.1,250/- p.m. (Rs. 15,000 p.a.);
  - viii) benefit of the Company's Provident Fund Scheme for the time being and from time to time in force;
  - ix) benefit of the Company's Gratuity Scheme for the time being and from time to time in force, at a rate not exceeding one half of one month's salary for each completed year of service;
  - x) reimbursement of expenses incurred on use of one telephone at the Manager's residence subject to a maximum of Rs.2,500/- bimonthly (Rs. 15,000/- p.a.) and a use of one mobile/cell phone subject to a maximum of Rs.5,000/- p.m.(Rs.60,000/- p.a.), Provided that the Manager shall bear and pay all charges incurred in respect of calls made by him on personal account;
  - xi) use by the Manager of one club facilities for business purpose held under the Corporate Membership by the Company; and



- xii) performance linked incentive at the discretion and approval of the Remuneration Committee/Board of Directors subject to the total remuneration not exceeding the limits prescribed under the provisions of the Companies Act, 1956.

PROVIDED THAT the Board of Directors shall have authority to change, alter and or vary the terms and conditions (including remuneration) of the Manager's appointment subject to the condition that the terms and conditions (including remuneration) so changed, altered or varied shall always be in accordance with the limits prescribed thereof under the provisions of Schedule XIII to the Companies Act, 1956 for the time being and from time to time in force or as amended in future;

AND PROVIDED FURTHER THAT the remuneration aforesaid shall not in any financial year, exceed :  
5 (five) percent of the net profits of the Company (where the Company has only one managerial personnel).

OR

10 (ten) percent of the net profits of the Company (where the Company has more than one managerial personnel), for all such managerial personnel put together.

The expression "managerial personnel" shall mean and include Managing/Whole-time Director(s) and Manager(s), if any, appointed under sections 386 of the Companies Act, 1956.

The remuneration as stated above including the perquisites aforesaid shall, nevertheless, be paid and allowed to the Manager as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year.

#### B) OTHER TERMS

- i) During the currency of this Agreement the Manager shall not, without the prior approval of the Board, directly or indirectly engage himself in any other business occupation or employment of a nature similar to, or competing with, the Company's business PROVIDED, HOWEVER, that it shall be permissible to the Manager to hold directorship or directorships, share or shares, of any other company or companies and holding of any such directorship or shares shall not be deemed a contravention of this clause.
- ii) The Manager shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to any person firm or body corporate whomsoever or make any use whatever, for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets of the Company, and the Manager shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person, firm, company, body corporate or concern from doing so.
- iii) The employment of the Manager under this Agreement shall forthwith terminate if he shall become insolvent or made any composition or arrangement with his creditors.
- iv) In case the Manager shall die during the course of his employment hereunder, the Company shall pay to his legal personal heirs the salary and other emoluments for the then current month alongwith full and final settlement.
- v) Notwithstanding anything contained in this Agreement either party shall be entitled to determine this Agreement by giving ninety days' notice in writing in that behalf to the other party without showing any cause and, on the expiry of the period of such notice, this Agreement shall stand terminated.
- vi) This Agreement shall replace any and all agreements or arrangements or understandings, if any, concerning or relating to the appointment or conditions of service of the Manager.

#### Item No. 6

##### A) REMUNERATION

- a) salary of Rs. 69,000/- (including dearness allowance, if any) per month with liberty to the Board to withhold increments or to grant more than one increment per year;
- b) Perquisites :
  - i) use of motor car owned by the Company, with driver, for the Company's business. All expenses for the maintenance and running of the motor car shall be borne and paid by the Company, subject to a maximum of Rs. 7,000/- p.m. (Rs.84,000/- p.a.) for motor car running expenses and additional Rs. 3,900/- p.m. (Rs.46,800/- p.a.) towards Driver's Salary.





- ii) reimbursement of conveyance expenses incurred subject to a maximum of Rs. 3,000/- p.m. (Rs. 36,000/- p.a.).
- iii) insurance cover under the mediclaim policy for self of Rs. 1,00,000/-, for spouse Rs. 1,00,000/- and for child Rs. 50,000/- subject to maximum of two children.
- iv) 24 (twenty four) days' privilege leave with full pay and allowances for each completed year of service, the said leave being accumulatable, subject to maximum of 96 days and encashable in accordance with the rules of the Company for the time being and from time to time in force;
- v) 10 (ten) days' sick leave and 6 (six) days' casual leave for each completed year of service, the said sick leave being accumulatable up to a maximum of 90 days. However, the sick and casual leave will not be encashable in accordance with the rules of the Company for the time being and from time to time in force;
- vi) personal accident insurance cover at the cost of the Company shall not exceed thirty months basic Salary;
- vii) reimbursement of medical expenses incurred by the Manager for self and family (i.e. wife, dependent children and dependent parent's), provided that the total cost to the Company shall not exceed Rs. 1,250/- p.m. (Rs. 15,000/- p.a.).
- viii) benefit of the Company's Provident Fund Scheme for the time being and from time to time in force;
- ix) benefit of the Company's Gratuity Scheme for the time being and from time to time in force, at a rate not exceeding one half of one month's salary for each completed year of service;
- x) reimbursement of expenses incurred on use of one telephone at the Manager's residence subject to a maximum of Rs. 2,500/- bimonthly (Rs. 15,000/- p.a.) and a use of one mobile/cell phone subject to a maximum of Rs. 5,000/- p.m. (Rs. 60,000/- p.a.), provided that the Manager shall bear and pay all charges incurred in respect of calls made by him on personal account;
- xi) use by the Manager of one club facilities for business purpose held under the Corporate Membership by the Company.; and
- xii) performance linked incentive at the discretion and approval of the Remuneration Committee/Board of Directors subject to the total remuneration not exceeding the limits prescribed under the provisions of the Companies Act, 1956.

PROVIDED THAT the Board of Directors shall have authority to change, alter and or vary the terms and conditions (including remuneration) of the Manager's appointment subject to the condition that the terms and conditions (including remuneration) so changed, altered or varied shall always be in accordance with the limits prescribed thereof under the provisions of Schedule XIII to the Companies Act, 1956 for the time being and from time to time in force or as amended in future;

AND PROVIDED FURTHER THAT the remuneration aforesaid shall not in any financial year, exceed :

5 (five) percent of the net profits of the Company (where the Company has only one managerial personnel).

OR

10 (ten) percent of the net profits of the Company (where the Company has more than one managerial personnel), for all such managerial personnel put together.

The expression "managerial personnel" shall mean and include Managing/Whole-time Director(s) and Manager(s), if any, appointed under sections 386 of the Companies Act, 1956.

The remuneration as stated above including the perquisites aforesaid shall, nevertheless, be paid and allowed to the Manager as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year.

## B) OTHER TERMS

- (i) During the currency of this Agreement the Manager shall not, without the prior approval of the Board, directly or indirectly engage himself in any other business occupation or employment of a nature similar to, or competing with, the Company's business PROVIDED, HOWEVER, that it shall be permissible to the Manager to hold directorship or directorships, share or shares, of any other company or companies and



holding of any such directorship or shares shall not be deemed a contravention of this clause.

- ii) The Manager shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to any person firm or body corporate whomsoever or make any use whatever, for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets of the Company, and the Manager shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person, firm, company, body corporate or concern from doing so.
- iii) The employment of the Manager under this Agreement shall forthwith terminate if he shall become insolvent or made any composition or arrangement with his creditors.
- iv) In case the Manager shall die during the course of his employment hereunder, the Company shall pay to his legal personal heirs the salary and other emoluments for the then current month alongwith full and final settlement.
- v) Notwithstanding anything contained in this Agreement either party shall be entitled to determine this Agreement by giving ninety days' notice in writing in that behalf to the other party without showing any cause and, on the expiry of the period of such notice, this Agreement shall stand terminated.
- vi) This Agreement shall replace any and all agreements or arrangements or understandings, if any, concerning or relating to the appointment or conditions of service of the Manager.

The appointment and payment of remuneration to Mr. Trevor A. Saldanha and Mr. Hari V. Nair have been approved by the Remuneration Committee of the Board of Directors of the Company at their meeting held on 28<sup>th</sup> January, 2005. The Remuneration Committee took in to account the qualification and experience and also the responsibilities shouldered by Mr. Trevor A. Saldanha and Mr. Hari V. Nair. The financial position of the Company was also considered while approving these appointments and that the remuneration payable to Mr. Trevor A. Saldanha and Mr. Hari V. Nair, put together, is in conformity with table B of paragraph 1 of section II of Part II of schedule XIII to the Companies Act, 1956 and that the minimum remuneration payable in the case of loss or inadequacy of profits was also within the limits prescribed under the said schedule XIII.

The Board of Directors are of the view that appointment of Mr. Trevor A Saldanha, as the Chief Executive Officer-International Operations and Mr. Hari V. Nair, as the Chief Executive Officer-Domestic Operations is in the interest of the Company and shareholders, and accordingly, recommend the resolution for approval of the members.

The Draft agreement between the Company and Mr. Trevor A. Saldanha and that between the Company and Mr. Hari V. Nair will be available for inspection at the Registered office of the Company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays upto the date of Annual General Meeting.

None of the Directors of the Company are interested/concerned in the passing of this resolution.

The information as required under table B of clause 1 of section II of Part II of schedule XIII of the Companies Act, 1956 is given below.

#### I. General Information:

##### 1. Nature of Industry

The Company is engaged in Courier, Cargo and Travel

##### 2. Date of commencement of commercial production/services :

31<sup>st</sup> October, 1988

##### 3. Financial Performance based on given indicators as per audited financial results for the year ended 31<sup>st</sup> March, 2005.

Particulars	(Rs. In lakhs)
Sales & Other Income	13439.57
Profit/Loss as per Profit & Loss Account(After Tax)	196.96
Accumulated Profit	527.63
Net Worth	2,260.53