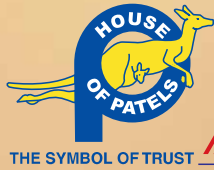




53rd Annual Report
— 2014-2015 —



Integrated Logistics Solutions



PATEL
INTEGRATED LOGISTICS LTD

Board of Directors



Asgar S. Patel
Chairman



Areef A. Patel
Executive Vice-Chairman



P. S. G. Nair
Director



Syed K. Husain
Director



Sandeep P. Parikh
Director



Farukh S. Wadia
Director



Bhumika L. Batra
Director

BOARD OF DIRECTORS

| | |
|-------------------|-------------------------|
| Asgar S. Patel | Chairman |
| Areef A. Patel | Executive Vice-Chairman |
| P. S. G. Nair | Director |
| Syed K. Husain | Director |
| Sandeep P. Parikh | Director |
| Farukh S. Wadia | Director |
| Bhumika L. Batra | Director |

COMPANY SECRETARY

Nitin B. Akolkar

AUDITORS

MSP & Co. Mumbai

LEGAL ADVISORS

Crawford Bayley & Co. Mumbai

BANKERS

HDFC 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

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai-400072.

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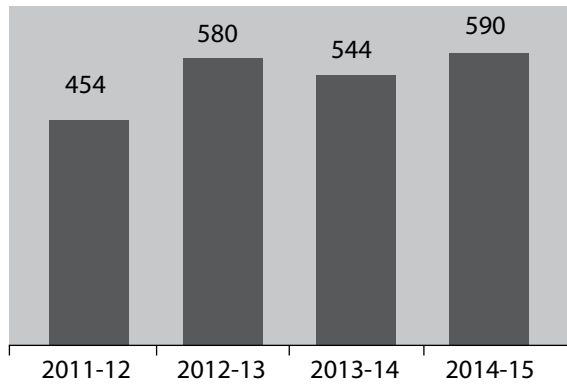
53rd Annual General Meeting

Tuesday, the 15th day of September 2015, at 11.00 a.m. at Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.

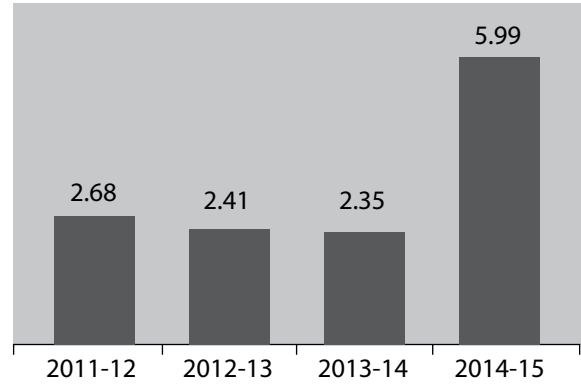
Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

Financial Overview

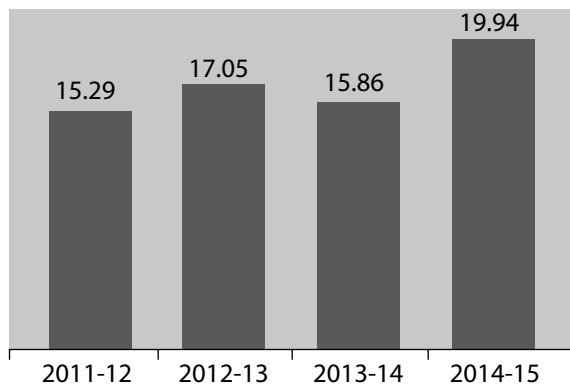
Revenue (in crore)



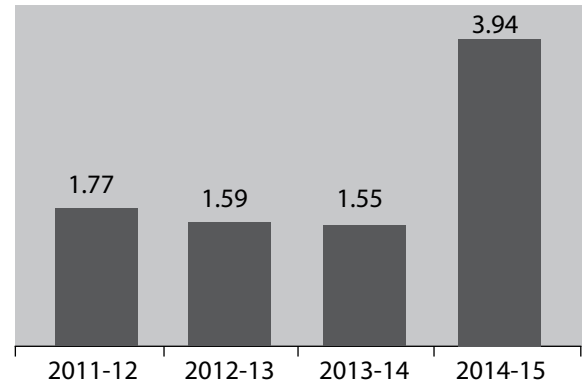
Net Profit (in crore)



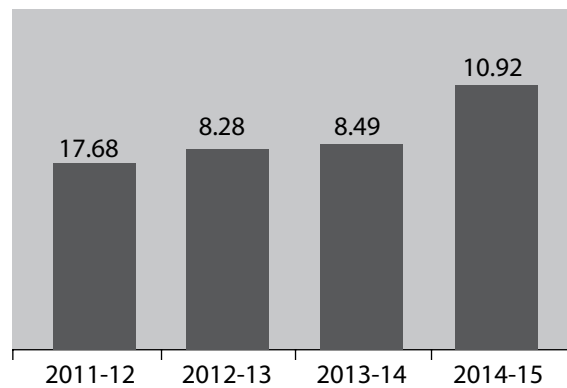
EBITA (in crore)



Earning per Share (in Rs.)



ROCE (in %)



OUR MISSION

To be an integrated service provider and offer customised service solutions.
To emerge as a strategic partner valued for our vision and relationships,
both internal and external, which continuously result in setting
new standards of excellence and achieving growth
through our business partners and associates.

QUALITY POLICY

At Patel Integrated Logistics, we believe in meeting the needs and expectations
of our esteemed customers. We shall achieve this with the help of a motivated
and proactive family of employees committed towards innovation and
continual improvement.

We shall implement a quality system to ensure consistent service quality with
efficient utilisation of all resources.

NOTICE

NOTICE is hereby given that the 53rd 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 Tuesday the 15th day of September 2015 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at 31st March 2015 and the Statement of Profit and Loss Account & Cash Flow Statement for the year ended 31st March 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Syed K. Husain (DIN: 03010306), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 the appointment of the statutory auditors of company M/s MSP & Co (Firm Registration No. 107565W), Chartered Accountants, be and is hereby ratified by the members of the company for the financial year 2015-2016 at such remuneration as may be determined by the Board of Directors of the Company.”

SPECIAL BUSINESS

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

“RESOLVED THAT, pursuant to the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company, Mr. Areef A. Patel (DIN: 00075687), be and is hereby reappointed as Whole time Director of the company (designated as “Executive Vice-Chairman”) for a period of three years with effect from 01st April, 2015 up to 31st March 2018, on such terms and conditions as set out in the statement annexed to the notice convening this meeting, with the liberty given to the Board of Directors to alter and vary the terms and conditions including remuneration (and minimum remuneration payable to him in case of absence or inadequacy of profits in any year), 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 authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Mr. Areef A. Patel but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Bhumiika Batra (DIN: 03502004), a non-executive Director of the Company, who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 58th Annual General Meeting of the Company in the calendar year 2020 and not liable to retire by rotation.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. 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. Pursuant to the provisions of Section 105 of the

Companies Act, 2013, a person shall not act as a proxy for more than 50 (fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as a proxy for any other person.

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 9th September 2015 to 15th September 2015 (both days inclusive).
6. 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.
7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is enclosed herewith. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public Holidays upto the date of the AGM.
8. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividends, upto 2006-07 to the Investor Education and Protection Fund (the Fund) established by the Central Government. No claim shall lay against the Company or the Fund in respect of amounts so transferred.

Unclaimed dividend for the financial year ended 31st March 2008 will be due for transfer to the Fund on 26th October 2015. Members should write to the Company or its Share Transfer Agent, if their dividend warrants for the year ended 31st March 2008, or any subsequent financial year(s), have not been encashed. In respect of dividend for the financial year ended 31st March 2008, it will not be possible to entertain any claim received after 26th October 2015.

9. Members are requested to send their Bank Account details to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072. This is to avoid the fraudulent encashment of dividend warrants.
10. 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, to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072.

Shareholders holding equity shares of the Company in the dematerialized form shall intimate to their respective Depository Participants about the NECS mandates.

11. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Electronic copy of the Annual Report including Notice of the 53rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Admission Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same. For members who have not registered their e-mail address, physical copies of the Annual Report are being sent in the permitted mode.
12. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail IDs in writing to the Share Transfer Agents of the Company at 'Bigshare Services Private Limited', E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072.
13. The Annual Report 2014-15 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.patel-india.com and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com

14. Voting through electronic means:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the listing agreement with Stock Exchanges, the Company is pleased to provide members facility to exercise their right to vote at the 53rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).
2. The Company has appointed Dinesh Kumar Deora, Practising Company Secretary (FCS No. 5683 CP No. 4119), as the Scrutiniser to the e-voting process, (including voting through Ballot Form received from the members) in a fair and transparent manner.
3. **The instructions for members for voting electronically are as under:**

The voting period begins on 11th September 2015 at 9.00 a.m. IST and ends on 14th September 2015 at 5.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 8th September 2015 the cut-off date (record date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The Notice of AGM of the Company can be downloaded from www.cdslindia.com and www.patel-india.com

A. In case of members receiving e-mail (for Members whose e-mail addresses are registered with the Company / Depositories):

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the address label/sticker affixed on the back page of the Annual Report) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field. |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily

enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the PATEL INTEGRATED LOGISTICS LIMITED.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy:

Please follow all steps from sl.no. (i) to (xvi) above to cast vote.

C. Other instructions:

- i. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- ii. Pursuant to clause 35B of the listing agreement, members who do not have access to e-voting facility, may fill in the Ballot Form which is a part of this Annual Report, and submit the same in a sealed envelope to the Scrutiniser, Dinesh Kumar Deora, Practising Company Secretary, Unit: Patel Integrated Logistics Limited, C/o. Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072, so as to reach by 5.00 p.m. IST on 14th September 2015. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.
- iii. In the event, a member casts his votes through both the processes i.e. e-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- iv. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 8th September 2015.
- v. The facility of ballot/polling paper for voting shall also be made available at the meeting and Members attending the meeting who have not already cast their vote through e-voting shall be able to exercise their right to vote at the meeting.

- vi. The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- vii. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.patel-india.com and on the website of CDSL www.cdslindia.com within 2 days of the passing of the Resolutions at the AGM of the Company and communicated to the Stock Exchanges where the shares of the Company are listed.
- viii. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on cut-off date i.e. 8th September 2015 may follow the same procedure as mentioned above for e-voting.
- ix. Any person who is not a member of the Company as on cut-off date i.e. 8th September 2015, should treat this Notice for information purposes only.

INFORMATION / PROFILE ABOUT DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING:

| Particulars | Mr. Syed K. Husain | Mr. Areef A. Patel | Ms. Bhumika Batra |
|---|---|---|---|
| Director Identification Number | 03010306 | 00075687 | 03502004 |
| Age | 69 years | 42 years | 33 years |
| Qualifications | B.Sc. (Engineering), M.Sc. (Management) | B.A. | B.com, L.L.B., C.S. |
| Expertise | Has over 35 years of experience in various fields like Transportation of Goods, Logistics and Distribution, Engineering, Exports, Construction and General Management. | 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. | She is Solicitor by profession. She is a Member of Bar Council of Maharashtra & Goa. She is recipient of scholarship from London School of Economics for Masters in Law. Ms. Batra has rich experience of more than a decade in the fields like Corporate Laws, Mergers & Acquisition, Litigations and Legal. She is also involved in publications of books like Company Law Ready Reckoner-in 2014 and Transfer and Transmission of Shares- A treatise in 2005. |
| Particulars of Appointment / Re-Appointment | Non Executive Director of the Company since 29 th May 2013, retires by rotation at the ensuing Annual General Meeting. It is proposed to re-appoint Mr. Husain as the Director of the Company. | Mr. Areef Patel is the Director of the Company since 18 th November, 1993. His tenure as the Whole-time Director of the Company expired on 31 st March, 2015. 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 1 st April 2015 subject to the approval of members at the ensuing Annual General Meeting. 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. | The Board of Directors of the Company have appointed Ms. Batra as an Additional Director of the Company with effect from 30 th March 2015. The Company has received, from one of the shareholders of the Company, a notice of candidature of Ms. Batra for the office of Director of the Company u/s 160 of the Companies Act, 2013. It is proposed to appoint Ms. Bhumika Batra as the Independent Director of the Company. Ms. Batra is also a woman director on the Board as required under the Companies Act 2013 and Listing Agreement with stock exchanges. |
| No. of shares held in the Company | Nil | 9,27,884 | Nil |

| Particulars | Mr. Syed K. Husain | Mr. Areef A. Patel | Ms. Bhumika Batra |
|---|---|---|--|
| Other Directorships as on 31 st March 2015 | <ul style="list-style-type: none"> Patel Holdings Limited Patel Real Estate Developers Private Limited Natasha Constructions Private Limited Wall Street Securities & Investments (I) Limited | <ul style="list-style-type: none"> Natasha Constructions Private Limited | <ul style="list-style-type: none"> Team Relocations India Pvt. Ltd Master Voss International Projects Private Limited Sharp India Limited Petainer Innopac Packaging Private Limited Hinduja Ventures Limited Finolex J-Power Systems Limited Hinduja Leyland Finance Limited Kancor Ingredients Limited Hinduja Tech Limited |
| Chairmanship(s) / Membership(s) of Committees as on 31 st March 2015 (Chairmanship(s) / membership(s) of Committees of Board as conceived under clause 49 of the Listing Agreement are only mentioned). | Stakeholders Relationship Committee <ul style="list-style-type: none"> Patel Integrated Logistics Limited (Member) | Audit Committee <ul style="list-style-type: none"> Patel Integrated Logistics Limited (Member) Nomination and Remuneration Committee <ul style="list-style-type: none"> Patel Integrated Logistics Limited (Member) | Nil |
| Inter-se relationships between Directors | Nil | Son of Mr. Asgar S. Patel | Nil |

Registered Office:

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

Mumbai, 29th July 2015

CIN : 71110MH1962PLC012396

By order of the Board,

(Nitin B. Akolkar)
Company Secretary

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 and 6 of the accompanying Notice.

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 2015, 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 2015 up to 31st March 2018.

(B) REMUNERATION:

- A Basic Salary of Rs. 2,65,000/- p.m. with liberty to the Board to grant or withhold increments as deemed fit;
- Use of furnished residential accommodation, owned, leased or licensed by the Company evaluated as provided for in the Income Tax Rules, 1962 OR a House Rent Allowance 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 (accumulatable as per the rules of the Company but not encashable) and 6 (six) days casual leave (not accumulatable and not encashable) for each completed year of service ;
- 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.40,000/- 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 a 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 the limits computed on the basis of the effective capital of the Company as defined in the Schedule V of the Companies Act, 2013, 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 ceiling on remuneration specified in Section II of Schedule V of the Companies Act, 2013.

(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 Nomination and Remuneration Committee of the Board of Directors of the Company at their meeting held on 30th March, 2015. The Committee, while approving the reappointment of and remuneration payable to Mr. Areef A. Patel as the Executive Vice-Chairman, took in to account the Remuneration Policy of the Company, 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.

The remuneration payable to Mr. Areef A. Patel as per the Agreement, complies with the requirements of Schedule V of the Companies Act, 2013 and falls within limits as specified in table (A) of Section II of Part II of the said Schedule V.

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 on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M and 1.00 P.M till the date of the meeting.

The information as required under Section II of Part II of Schedule V to the Companies Act, 2013 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 :

Not Applicable

Financial performance based on given indicators as per audited financial statements for the year ended 31st March, 2015 :

| Particulars | Amount (Rs. in Lacs) |
|--|-------------------------|
| Total Income | 58965.83 |
| Profit Before Tax | 799.23 |
| Profit After Tax (inclusive of extra ordinary items) | 598.99 |
| Net Worth | 9053.02 |

Export performance and net foreign exchange collaborations:

Not Applicable

Foreign investments or collaborators, if any:

Not Applicable

II Information about the appointee :

| Sr. No. | Heading | Particulars |
|---------|---|---|
| 1. | Background Details : | |
| | Name. | Mr. Areef A. Patel |
| | Age. | 42 years |
| | Qualifications. | B.A. |
| | Expertise. | Mr. Areef Patel has more than a decade of rich experience in various fields like Transportation of Goods, Logistics, Construction, Couriers & Co-loading. |
| 2. | Past remuneration. | During the tenure as Executive Vice Chairman of the Company, Mr. Areef Patel drew a Salary of Rs.2,65,000/- per month with other perquisites and amenities. |
| 3. | Recognition or awards. | None |
| 4. | Job Profile and his suitability. | The job profile of Mr. Areef Patel as the Executive Vice-Chairman of the Company will comprise of managing the day to day affairs of the Company under the supervision, control and guidance of the Board of Directors. |
| 5. | Remuneration proposed. | a) In case of absence or inadequacy of profits, a Salary of Rs. 2,65,000/- per month with other perquisites and amenities, as mentioned hereinbefore, provided that the consolidated remuneration shall not exceed the limits as prescribed in table (A) of Section II of Part II of the Schedule V of the Companies Act, 2013; and b) In case of adequate profits, a salary of Rs. 2,65,000/- per month with other perquisites and amenities, as mentioned hereinbefore, plus a commission @ 1% of the net profits computed as per the provisions of Companies Act, 2013, or such other percentage as may be decided by the Board of Directors from time to time provided that the amount of remuneration paid as mentioned hereinabove 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. |
| 6. | Comparative remuneration profile with respect to industry, Size of the Company, profile of the position and the person. | The remuneration proposed to be paid to Mr. Areef Patel is favorably comparable with the remuneration paid to managerial personnel in similar type of companies and is commensurate with the size of the Company and the profile & position of Mr. Areef Patel. |
| 7. | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. | Mr. Areef Patel does not have any direct pecuniary relationship with the Company other than receiving remuneration as Whole Time Director approved by the shareholders. However, Mr. Areef Patel is concerned and interested in the financial position of the Company as one of the Promoters and shareholders. |

III Other Information :

1. Reasons for loss or inadequate profits:

The performance of the Company is improved substantially in terms of turnover, Profit before Tax and Net Profit after Tax as compared to the previous year. Still the profits are not adequate to pay the present salary as per limits specified in section 197 of the Companies Act 2013.

As the Company operates in the services sector, the performance of the Company is directly affected by the buoyancy or otherwise in the economic activity in the Country. The performance of the Company in a particular period is decided by various internal as well as external factors out of the control of the Company.

The profits of the Company are subject to market forces, however the effective capital base is not much affected. Considering this, as a matter of prudent policy, the appointment of Mr. Areef Patel as the Executive Vice-Chairman has been made under the provisions of Schedule V of the Companies Act, 2013.

Temporary factors which have a depressing effect on the performance of the Company in the short run shall not be allowed to affect the hiring and selection policies of the Company during lean periods. This is especially true in case of managerial personnel whose expertise and initiative can, many a times, decide fortunes of an organization in today's highly competitive corporate world.

2. Steps taken or proposed to be taken for improvement:

The Company has inherent strengths in form of its asset base, innovative products and national reach. The Indian economy is now stabilizing and hence your Company is hopeful of satisfactory performance in the immediately foreseeable future. The performance of the Company is already improved substantially in terms of turnover, Profit before Tax and Net Profit after Tax as compared to the previous year.

Apart from increasing business of the Company, your company relies on cost saving measures like rationalization of manpower resources and of linehauls, the Company is expected to control unwanted expenditure.

The Company is achieving higher margin in its retail express cargo business as compared with normal Road Freight Transport. This will positively impact before tax profitability of the Company. Your Company is also pursuing and studying expansion of its warehousing business.

The Company is also concerned about modernization and upgradation of operational facilities, damage control techniques and better network facilities, to keep pace with the new products launched in the logistic industry.

3. Expected increase in productivity and profits in measurable terms:

As stated earlier, it is not possible to quantify the profits in measurable terms due to the fact that, being in the services sector, the performance of the Company depends largely upon the performance of the economy as a whole.

However, in the current economic scenario the Indian Economy is expected to keep the upward graph at least in the immediately foreseeable future and therefore the performance indicators of the Company are also expected to look up.

IV Disclosures :

The remuneration package of Mr. Areef A. Patel as the Executive Vice-Chairman of the Company has been stated in detail elsewhere in this explanatory statement. The other required disclosures are made in the Directors' Report.

Mr. Areef A. Patel and Mr. Asgar S. Patel and their relatives are concerned / interested in the passing of the resolution at item no. 5 of the Notice. None of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed Resolution as set out at Item No. 5 of the Notice, except to the extent of their shareholding, if any, in the Company.

The Board recommends this Ordinary Resolution for your Approval.

Item Nos. 6:

The Board of Directors of the Company at their meeting held on 30th March 2015 on the recommendation of Nomination and Remuneration Committee appointed Ms. Bhumika Batra (DIN: 03502004), as Additional Director in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting (AGM) of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Bhumika Batra for the office of Director of the Company.

The Board of Directors are confident that with Ms. Bhumika Batra's experience and expertise, the Company would greatly benefit from her appointment.

Ms. Bhumika Batra is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director.

The Resolution seeks the approval of members for the appointment of Ms. Bhumika Batra as Independent Director of the Company for a term of 5 consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. She is not liable to retire by rotation.

Except Ms. Bhumika Batra and her relatives, no other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed Ordinary Resolution as set out at Item No. 6 of the Notice, except to the extent of their shareholding, if any, in the Company.

The Board recommends this Ordinary Resolution for your Approval.

Registered Office:

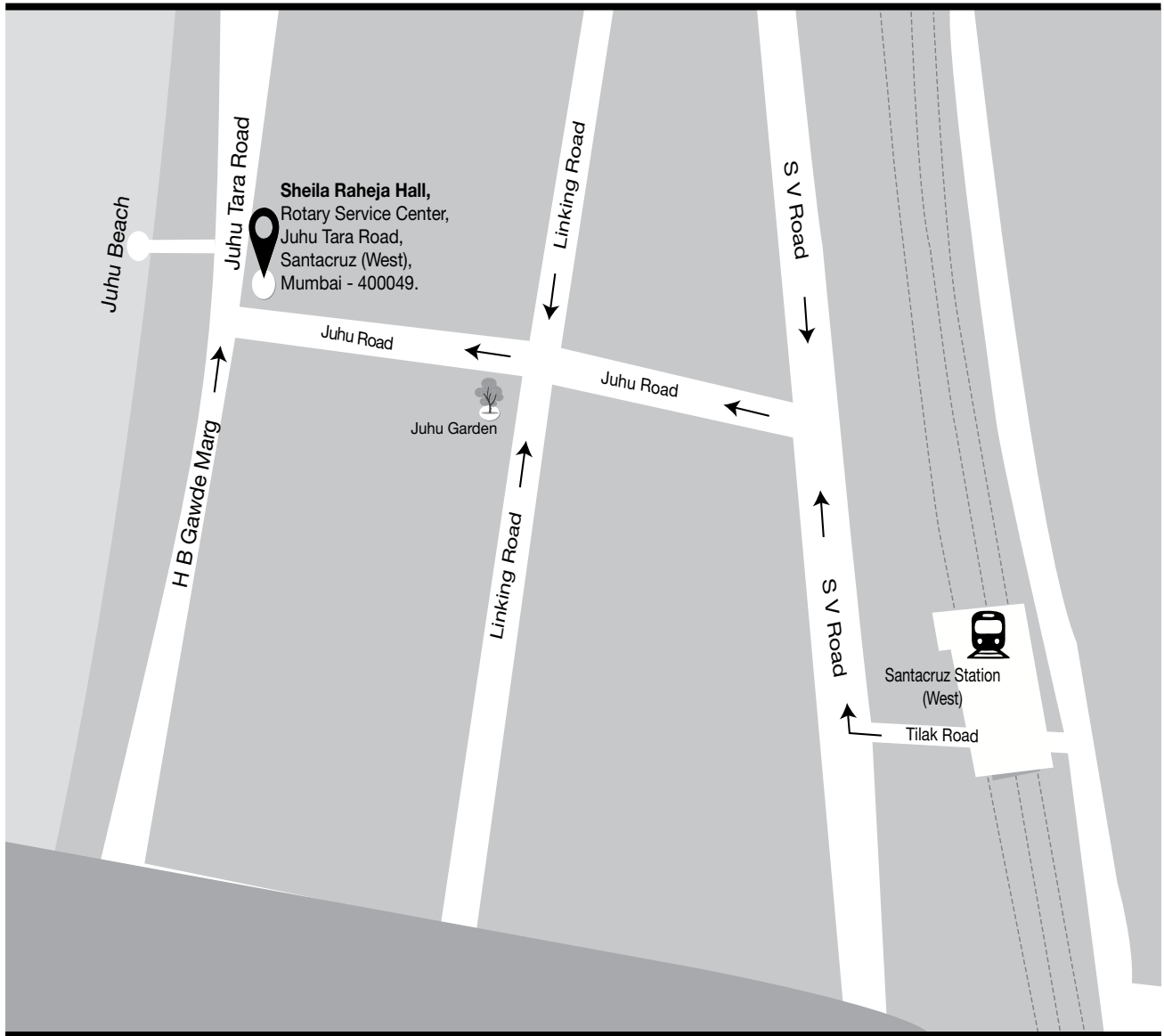
Patel House, 5th Floor,
Plot No.48, Gazdarbandh,
North Avenue Road,
Santacruz (west),
Mumbai-400 054.

By order of the Board,

(Nitin B. Akolkar)
Company Secretary

Mumbai, 29th July 2015
CIN : 71110MH1962PLC012396

Route Map to the Venue of the AGM



Sheila Raheja Hall,
Rotary Service Center,
Juhu Tara Road, Santacruz (West),
Mumbai - 400 049.

DIRECTORS' REPORT

To,
The Members of
Patel Integrated Logistics Limited.

Your Directors have pleasure in presenting their 53rd Annual Report for the year ended 31st March 2015.

FINANCIAL RESULTS :

The financial results are as under:

| | Year ended 31 st March, 2015 | Year ended 31 st March, 2014 |
|--|--|--|
| | (Rs. in lakhs) | |
| Profit before Interest, Depreciation & Tax | 2161.55 | 1673.02 |
| Less : Interest | 910.98 | 915.17 |
| Profit before Depreciation | 1250.57 | 757.85 |
| Less : Depreciation | 451.34 | 448.97 |
| Profit before tax | 799.23 | 308.88 |
| Less : Provision for tax | 242.00 | 97.00 |
| Less : Deferred Tax | (41.32) | (23.02) |
| Less : (Excess) / Short Provision of Income Tax for earlier years | (0.44) | - |
| Profit after tax | 598.99 | 234.90 |
| Add : Balance of Profit from previous year | 478.66 | 627.60 |
| TOTAL ... | 1077.65 | 862.50 |
| APPROPRIATIONS: | | |
| Equity Dividend | 75.93 | 75.93 |
| Tax on Dividend | 15.46 | 12.91 |
| Transfer to General Reserve | 200.00 | 200.00 |
| Transfer to Contingency Reserve | 120.00 | 95.00 |
| Additional Depreciation on Fixed Assets (Net of Deferred Tax Assets) | 330.59 | - |
| Balance carried to Balance Sheet | 335.67 | 478.66 |
| TOTAL ... | 1077.65 | 862.50 |

FINANCIAL PERFORMANCE REVIEW:

The highlights of Company's performance are as under:

- Revenue from operations increased by 8.25% to Rs.587.98 cr.
- EBITDA increased by 25.73% to Rs.19.94 cr.
- Profit before Tax increased by 158.57% to Rs.7.99 cr.
- Net Profit increased by 155% to Rs.5.99 cr.
- Net Worth stood at Rs.90.53 cr., Fixed Asset base was Rs.42.66 cr. and the EPS was Rs.3.94.

The financial year 2014-15 has been a successful year for the Company in terms of financial performance of the Company during the year due to increase in sales. During the year the Company focused on Retail (Express delivery) segment of business, which has the better margins of profit. The lower input cost and cost reduction measures also leads to better performance during the year.

There is no change in the nature of business during the year under review.

DIVIDEND:

For the year under consideration, the Board of Directors recommended a dividend of Re.0.5/- per share i.e. 5% on the equity share capital of the Company for the financial year ended March 31, 2015. The dividend payout is subject to approval of

members at the ensuing Annual General Meeting. The dividend payout for the year under review has been formulated after consideration of Company's long term growth objectives to be met by internal accruals.

FUTURE PLANS AND OUTLOOK:

In 2015 the Global economic outlook and that of India is expected to improve significantly as India begins to tackle the economic downturn. With a new government set in place and with GST going to be implemented in 2016, and with many policies are expected to be implemented which will give a fresh impetus to India's growth engine particularly in the corporate and SME sector which in turn will expand demand for the logistics sector. The biggest boost to the growth of the industry is coming from the increasing consumer demand, particularly in the Tier 2 and 3 sections of the country. This is being further fueled by the revolutionary growth being seen in e-commerce which is leading to logistics companies responding with new innovations in service since logistics is the most critical ingredient in the success of an online business.

To cater the growth in e-commerce business, your Company in the coming years, aiming to increase the portion of revenue generated from e-commerce companies by providing them fast-track delivery of their products to their customers across the country. Sensing the boom for logistic industry, the Company is planning to focus on top e-commerce players for volumes and revenue generation.

Your Company is also pursuing and studying expansion into warehousing. Your Company already has a Custom bonded Warehouse in Chennai for the last seven years. The company is exploring options to serve its e-commerce customers in a much more inclusive way.

With GST and faster development of road projects like the NS-EW corridor highway and National waterways Sagarmala project, your Company is hopeful that the coming years will be rocking for logistic sector.

FINANCE:

A) Bank Finance:

The Company enjoys fund based and non fund based credit facilities from the Banks to meet its working capital requirements. The Company also enjoys a credit line for buying the trucks on deferred payment guarantee basis. The Company is regular in payments of installments and there are no over dues as on the date of reporting.

B) Fixed Deposits:

The Company is accepting unsecured fixed deposits from the public in accordance with the requirements prescribed under Chapter V of the Companies Act 2013 and Companies (Acceptance of Deposits) Rules, 2014.

Accordingly, Fixed Deposits accepted by the Company stood at Rs.1234.62 lacs as on 31st March 2015. There were no unpaid or overdue deposits as on 31st March 2015, other than unclaimed Deposits and interest accrued thereon aggregating Rs.7.32 lacs. There has been no default in repayment of deposits or payment of interest thereon during the year under consideration. The Company has not accepted any deposits which are not in compliance with the requirement of Chapter V of the Companies Act, 2013.

Ministry of Corporate Affairs (MCA) vide its Notification No. G.S.R. 241(E), dated 31st March 2015 allowed Companies to accept deposits without deposit insurance contract till 31st March 2016 or till the availability of a deposit insurance product, whichever is earlier.

C) Credit Rating:

India Ratings & Research Private Ltd (India Ratings), a Fitch group Company has affirmed National long term credit rating 'IND BBB-' [outlook positive] for Company's fund based borrowings & finance lease and 'IND A3' [outlook positive] rating for its non fund based borrowings from the banks for 2015-16

India Ratings has also assigned credit rating 'IND tA-' (adequate safety) for its Fixed Deposit Programme for 2015-16.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to the Financial Statements.

TRANSFER TO RESERVES:

Your Company has transferred Rs.2.00 crore to the general reserve and Rs.1.20 crore to contingency reserve. An amount of Rs.3.36 crore is retained in the Statement of Profit and Loss.

CORPORATE SOCIAL RESPONSIBILITY:

Section 135 of the Companies Act, 2013 concerning Corporate Social Responsibility alongwith the Rules thereunder and revised Schedule VII were notified on 27 February 2014 to come into effect from 01 April 2014. Your Company welcomes the initiative taken by the MCA with an aim to embrace responsibility for the corporate actions and encourage a positive impact through its activities on the environment, consumers, employees, communities and all other members of the public sphere who may also be considered stakeholders.

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are become applicable to the company only at the end of the financial year i.e. on 31st March 2015 upon meeting the threshold criteria of net profit of Rs.5.00 crore or more and hence the Company had not spend any amount towards the CSR activities in the financial year 2014-15.

The Company, being covered under the provisions of the said Section, has formed a Committee of Directors, titled "Corporate Social Responsibility Committee" on 28th May 2015.

The purpose of the Committee is to formulate and monitor the CSR Policy of the Company. The Committee will formulate a CSR Policy for consideration of the Board. The Company has initiated necessary steps to implement CSR activities in current financial year. The Annual Report on CSR activities in prescribed format under Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable for the financial year 2014-15.

RISK MANAGEMENT:

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a Business Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

There are no risks which in the opinion of the operating management threaten the existence of your Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

AUDIT COMMITTEE:

The Company has Audit Committee of Board of Directors constituted in accordance with section 177 of the Companies Act, 2013. The details of the Audit Committee are explained in the Corporate Governance Report.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company is constantly thinking about improvement in internal financial controls.

The Internal Audit Department monitors and evaluates operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, the Audit Committee/ Board initiate corrective action in respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism named Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement The policy deals with instance of fraud and mismanagement, if any, The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

SUBSIDIARY, ASSOCIATES AND JOINT VENTURE:

The Company does not have any Subsidiary or Associate or Joint Venture Company as on date of this report. Therefore separate section for report on the performance and financial position of subsidiaries, associates and joint venture companies is not required to present.

DIRECTORS:

Appointments:

Mr. Syed K. Husain, Non Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and, being eligible, has offered himself for re-appointment as the Director.

Ms. Bhumika Batra was appointed as an Additional Independent woman Director of the Company with effect from 30th March 2015. Ms. Bhumika Batra vacates office of Director, at the ensuing Annual General Meeting. The Company has received a Notice alongwith the necessary deposit u/s 160 of the Companies Act, 2013, proposing the candidature of Ms. Bhumika Batra as the Independent Director of the Company under the Companies Act, 2013 for the period of 5 years with effect from 15th September 2015.

At the last Annual General Meeting held on 21st August 2014, the members had appointed Mr. P.S.G. Nair, Mr. Sandeep Parikh and Mr. Farukh Wadia as Independent Directors under the Companies Act, 2013, each for a term of 5 years with effect from 21st August 2014.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Subject to approval of members in the General Meeting, the Board of Directors had on the recommendation of the Nomination & Remuneration Committee reappointed in their meeting held on 30th March 2015, Mr. Areef A. Patel as the Whole-time Director designated as "Executive Vice-Chairman", who is Key Managerial Personnel under Section 203 of the Companies Act, 2013 for a period of three years commencing from 1st April 2015. The approval of members is sought for the reappointment of Mr. Areef A. Patel as the Whole-time Director at the ensuing Annual General Meeting.

There is no Key Managerial Personnel resigned during the year under review.

Board Evaluation:

The Nomination and Remuneration Committee at its meeting held on 3rd July 2014 and the Board of Directors at its meeting held on 4th July 2014 respectively, had laid down criteria for performance evaluation of Directors, Committees of the Board and Board as a whole and also the evaluation process for the same. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. In pursuance to the above, Independent Directors in their separate meeting held on 30th March 2015 have reviewed and evaluated the performance of Board as a whole, Chairman and Executive Vice Chairman.

Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Meetings:

During the year nine Board Meetings and five Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

All related party transactions referred to in section 188(1) of the Companies Act 2013 that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Hence there is no information to be provided as required in Form No. AOC-2 under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Apart from receiving remuneration by executive directors and sitting fees by Non executive directors, none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

Your Directors draw attention of the members to Note 36 to the financial statement which sets out related party disclosures. The ICD taken from related party was prior to commencement of section 188 of Companies Act 2013 and hence no separate report is given.

AUDITORS AND AUDITORS' REPORT:

At the 52nd AGM of your Company, M/s. MSP & Co., Chartered Accountants (Firm Registration No. 107565W) was appointed as the Auditors to hold office till the conclusion of the 55th AGM of your Company.

The Board of Directors at its meeting held on 28th May, 2015, on the recommendations of the Audit Committee, in accordance with the provisions of Section 139(8) of the Companies Act, 2013 ratified the appointment of M/s. MSP & Co., Chartered Accountants, to continue to act as the Auditor of your Company till the conclusion of the 55th AGM.

M/s. MSP & Co. Chartered Accountants, who retire at the ensuing AGM of your Company, are eligible for re-appointment. Your Company has received written consent and a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued thereunder.

The Auditors' Report for the financial year 2014-15, does not contain any qualification, reservation or adverse remark.

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 on the compliance of conditions of Corporate Governance, are included in this Annual Report.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Dinesh Kumar Deora, Practising Company Secretary, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is set out as "**Annexure [I]**" to this Report. The Secretarial Audit Report contained one observation about non appointment of CFO as required under Section 203 of the Companies Act, 2013. The Company is under process of appointment of right candidate for the post of CFO of the Company. However Vice President-Finance & Accounts, being a competent person is discharging the functions of CFO.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as "**Annexure [II]**" to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY:

- | | |
|---|---|
| (i) The steps taken or impact on conservation of energy | : Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in Maintenance systems and through improved operational techniques. |
| (ii) The steps taken by the Company for utilizing alternate sources 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. Also planning to use Bio-fuel for enhancing more efficiency of vehicles. |
| (iii) The capital investment on energy conservation equipments | The Company has on going process to conserve the energy by replacement of old electronic devices and installation of new efficient power saving devices whenever required. |

No material capital investment incurred by the Company during the year 2014-15.

(B) TECHNOLOGY ABSORPTION:

- (i) The efforts made towards technology absorption: : Updating of Technology is a Continuous process; appropriate technology is implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Transport and Logistics Industry.
- (ii) The benefits derived: : The Company has developed in house web- based application for complete logistics operation's requirements which helping order processing and tracking the shipments with the entire operation cycle of the GCNs and improving dispatch and delivery efficiency.
- (iii) Imported Technology: : There is no imported technology imported during the last three years.
- (iv) The expenditure incurred on Research and Development: : No expenditure is incurred on Research and Development by the Company during the year 2014-15.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in lakhs)

| | Year ended 31 st March, 2015 | Year ended 31 st March, 2014 |
|---|--|--|
| Earnings in Foreign Exchange | | |
| Air Freight Billing, and other expenses (Net) | 7.78 | 13.18 |
| TOTAL ... | 7.78 | 13.80 |
| Expenditure in Foreign Currency | | |
| Membership and Subscription Fees | 0.42 | 0.40 |
| Travelling (excluding air fare) | 6.79 | 4.17 |
| TOTAL ... | 7.21 | 4.57 |

PARTICULARS OF EMPLOYEES:

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

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The internal committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed off during the financial year 2014-15:

| | | |
|-------------------------------|---|-----|
| No of Complaints received | : | Nil |
| No of Complaints disposed off | : | Nil |

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March 2015 are in full conformity with the requirement of the Companies Act, 2013.

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors, based on the representation received from the Operating Management, confirm that:

- 1) in the preparation of the annual accounts, for the year ended March 31, 2015, the applicable accounting standards and Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;

- 2) the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March 2015 and of the profits of the Company for the financial year ended 31st March 2015;
- 3) the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis;
- 5) the Company has proper internal financial controls in place. However the Company is developing better controls for implementation in current financial year;
- 6) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

GENERAL:

Your Directors state that no disclosure or reporting is required in respect of following items as either there were no transactions on these items or these items are not applicable to the Company during the year under review:

- 1) No material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year of the Company i.e. 31st March 2015 and the date of this report.
- 2) No Company have become or ceased to be Subsidiary, Associate or joint venture of the Company during the year under review.
- 3) No significant and material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENTS:

The Directors place on record their appreciation of the continued assistance and support received from the Bankers, Clients, Stakeholders and Fixed Deposit Holders in the endeavors of the Company.

Registered Office:

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

Mumbai, dated 29th July, 2015

For and on behalf of the Board of Directors

AREEF A. PATEL - Executive Vice Chairman

P. S. G. NAIR - Director

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Patel Integrated Logistics Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Patel Integrated Logistics Limited (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- 1 The Companies Act, 2013 (the Act) and the rules made thereunder;
 - 2 The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - 3 The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
 - 4 The provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings were not applicable to the Company under the financial year under report;
 - 5 The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - 6 Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI') were not applicable to the Company during the financial year under report:-
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
 - B The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999;
 - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The following are the major head / groups of Acts, Laws and Regulations as applicable to the Company.
- 7 Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis related to Salary & Wages, Bonus, Gratuity, Provident Fund, ESIC, Compensation etc.
 - 8 Acts prescribed under Direct Tax and Indirect Tax Laws by the Central and respective State Governments.
 - 9 Land Revenue Laws of respective states.
 - 10 Labour Welfare Act of respective states.
 - 11 Local laws as applicable to various offices and Premises of the Company.

- 12 Acts applicable to transport industry viz. Carriers Act, 1865, Motor Vehicles Act, 1988, Multimodal Transportation of Goods Act, 1993.
- 13 Indian Stamp Act, 1899
- 14 Indian Contract Act, 1872
- 15 Negotiable Instruments Act, 1881
- 16 Arbitration and Reconciliation Act, 1996

I have also examined compliance with the applicable clauses of the following:

- 1 Secretarial Standards issued by The Institute of Company Secretaries of India.
- 2 The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except the following observation.

Non appointment of CFO as required under Section 203 of the Companies Act, 2013.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has

Obtained the approval from the Shareholders of the Company u/s 180(1)(C) of the Companies Act, 2013 borrowing powers to the Board of Directors upto a limit of Rs.150.00 Crore and also approved creation of charge and / or mortgage under Section 180(1)(a) of the Companies Act, 2013.

Apart from above, there were no instances of:

- 1 Public / Rights / Preferential issue of shares / debentures / sweat equity etc.
- 2 Redemption / buy-back of securities.
- 3 Merger / amalgamation / reconstruction etc.
- 4 Foreign technical collaborations.

Sd/-

Dinesh Kumar Deora
Practising Company Secretary
FCS NO. 5683
C P NO. 4119

Place: Mumbai

Date: 29th July, 2015

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31ST March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | | |
|------|---|---|--|
| i) | CIN | : | L71110MH1962PLC012396 |
| ii) | Registration Date | : | 22/06/1962 |
| iii) | Name of the Company | : | Patel Integrated Logistics Limited |
| iv) | Category / Sub-Category of the Company | : | Company Limited by Shares |
| v) | Address of the Registered office and contact details | : | Patel House, Plot No.48, 5 th Floor, Gazdar Bandh, North Avenue Road, Santacruz (West), Mumbai-400054 |
| vi) | Whether listed company Yes / No | : | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent | : | Bigshare Services Pvt. Ltd E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E.), Mumbai-400072 Tel: 022-40430200 Email: investor@bigshareonline.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Freight | 4923 | 29% |
| 2 | Co-loading and Cargo Income | 5224 | 71% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sl. No. | Name and Address of The Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| NIL | | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding:

| Category of Shareholders | No. of Shares held at the beginning of the year 01.04.2014 | | | | No. of Shares held at the end of the year 31.03.2015 | | | | % Change during the year |
|--------------------------|--|----------|----------------|-------------------|--|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 1270042 | - | 1270042 | 8.36 | 1270042 | - | 1270042 | 8.36 | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt (s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | 3280862 | - | 3280862 | 21.60 | 3205371 | - | 3205371 | 21.11 | -0.50 |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Trust | 1371500 | - | 1371500 | 9.03 | 1371500 | - | 1371500 | 9.03 | - |
| Sub-total (A) (1) | 5922404 | - | 5922404 | 39.00 | 5846913 | - | 5846913 | 38.50 | -0.50 |

| Category of Shareholders | No. of Shares held at the beginning of the year 01.04.2014 | | | | No. of Shares held at the end of the year 31.03.2015 | | | | % Change during the year |
|--|--|----------------|----------------|-------------------|--|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 1065879 | - | 1065879 | 7.02 | 1065879 | - | 1065879 | 7.02 | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (2) | 1065879 | - | 1065879 | 7.02 | 1065879 | - | 1065879 | 7.02 | - |
| Total shareholding of Promoter (A) =(A) (1)+(A)(2) | 6988283 | - | 6988283 | 46.02 | 6912792 | - | 6912792 | 45.52 | -0.50 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | 9205 | 9205 | 0.06 | - | 9205 | 9205 | 0.06 | - |
| b) Banks / FI | - | - | - | - | 15622 | - | 15622 | 0.10 | 0.10 |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | 30039 | - | 30039 | 0.20 | 0.20 |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1) | - | 9205 | 9205 | 0.06 | 45661 | 9205 | 54866 | 0.36 | 0.30 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 1398905 | 122120 | 1521025 | 10.02 | 775385 | 14920 | 790305 | 5.20 | -4.82 |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 3131503 | 778162 | 3909665 | 25.74 | 3602688 | 766781 | 4369469 | 28.77 | 3.03 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 2273441 | - | 2273441 | 14.97 | 2403919 | - | 2403919 | 15.83 | 0.86 |
| c) Others (specify) | | | | | | | | | |
| i) NRI Individual | 244462 | 204315 | 448777 | 2.96 | 266447 | 203455 | 469902 | 3.09 | 0.13 |
| ii) Clearing Member | 36216 | - | 36216 | 0.24 | 185359 | - | 185359 | 1.22 | 0.98 |
| Sub-total (B)(2) | 7084527 | 1104597 | 8189124 | 53.92 | 7233798 | 985156 | 8218954 | 54.12 | 0.20 |

| Category of Shareholders | No. of Shares held at the beginning of the year 01.04.2014 | | | | No. of Shares held at the end of the year 31.03.2015 | | | | % Change during the year |
|--|--|----------------|-----------------|-------------------|--|---------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 7084527 | 1113802 | 8198329 | 53.98 | 7279459 | 994361 | 8273820 | 54.48 | 0.50 |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 14072810 | 1113802 | 15186612 | 100 | 14192251 | 994361 | 15186612 | 100 | - |

(ii) Shareholding of Promoters:

| SI No. | Shareholder's Name | Shareholding at the beginning of the year 01.04.2014 | | | Share holding at the end of the Year 31.03.2015 | | | % change in share holding during the year |
|--------|--|--|----------------------------------|--|---|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Asgar S. Patel | 1065879 | 7.02 | Nil | 1065879 | 7.02 | Nil | Nil |
| 2 | Areef A. Patel | 927884 | 6.11 | Nil | 927884 | 6.11 | 6.11 | Nil |
| 3 | Yasmin A. Patel | 192100 | 1.26 | Nil | 192100 | 1.26 | Nil | Nil |
| 4 | Natasha R. Pillai | 150058 | 0.99 | Nil | 150058 | 0.99 | Nil | Nil |
| 5 | Patel Holdings Limited | 3025667 | 19.92 | Nil | 3025667 | 19.92 | Nil | Nil |
| 6 | A.S.Patel Trust | 1371500 | 9.03 | Nil | 1371500 | 9.03 | Nil | Nil |
| 7 | Wall Street Securities and Investments Limited | 179704 | 1.18 | Nil | 179704 | 1.18 | Nil | Nil |
| 8 | Transways Combines Pvt. Ltd | 75491 | 0.50 | Nil | Nil | Nil | Nil | (0.50) |

(iii) Change in Promoters' Shareholding:

| Shareholder's Name | Shareholding | | Date of Transaction | Increase/ (Decrease) in shareholding | Reason | Cumulative Shareholding during the year | |
|------------------------------------|--|----------------------------------|---------------------|--------------------------------------|----------|---|----------------------------------|
| | No. of Shares at the beginning(01.04.2014)/ end of the year (31.03.2015) | % of total Shares of The Company | | | | No. of shares | % of total shares of the company |
| Transways Combines Private Limited | 75,491 | 0.50 | 01.04.2014 | | | | |
| | | | 01.08.2014 | (75,419) | Transfer | 72 | 0.01 |
| | | | 03.09.2014 | (72) | Transfer | 0 | 0.00 |
| | 0 | 0.00 | 31.03.2015 | | | | |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year 01.04.2014 | | Shareholding at the end of the year 31.03.2015 | |
|---------|--|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Bhavesh Dhiresbhai Shah | 241577 | 1.59 | 163432 | 1.07 |
| 2. | Religare Finvest Ltd | 227352 | 1.50 | - | - |
| 3. | Sakal Papers Private Limited | 155736 | 1.03 | - | - |
| 4. | Subhash Vithaldas Shah | 130000 | 0.86 | 130000 | 0.86 |
| 5. | Girish Gulati (HUF) | 111257 | 0.73 | 152282 | 1.00 |
| 6. | Brahmamangalam Builders and Properties Private Limited | 107200 | 0.71 | - | - |
| 7. | JM Financial Services Limited | 100697 | 0.66 | - | - |
| 8. | Disha Subhash Shah | 100000 | 0.66 | 100000 | 0.66 |
| 9. | Samir Jitendra Javeri | 100000 | 0.66 | | |
| 10. | Chhaya Subhash Shah | 98655 | 0.64 | 98655 | 0.64 |
| 11. | Mitesh N Mehta | - | - | 579995 | 3.82 |
| 12. | Narendra Kumar K Mehta | - | - | 176000 | 1.16 |
| 13. | Ugrabhai V Patel | 79758 | 0.52 | 79758 | 0.52 |
| 14. | Jyoti Naik | 40000 | 0.26 | 75000 | 0.49 |
| 15. | Maniben U Patel | 80679 | 0.53 | 69679 | 0.46 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Shareholder's Name | Shareholding | | Date of Transaction | Increase/ (Decrease) in shareholding | Reason | Cumulative Shareholding during the year | |
|--------------------|--|----------------------------------|--------------------------|--------------------------------------|------------------------------|---|----------------------------------|
| | No. of Shares at the beginning (01.04.2014)/end of the year (31.03.2015) | % of total Shares of the Company | | | | No. of shares | % of total shares of the company |
| Directors | | | | | | | |
| Asgar S. Patel | 10,65,879 10,65,879 | 7.02 7.02 | 01.04.2014 31.03.2015 | Nil | Nil movement during the year | 10,65,879 | 7.02 |
| Areef A. Patel | 9,27,884 9,27,884 | 6.11 6.11 | 01.04.2014 31.03.2015 | Nil | Nil movement during the year | 9,27,884 | 6.11 |
| P.S.G. Nair | 0 0 | 0 0 | 01.04.2014 31.03.2015 | 0 | Nil holding during the year | 0 | 0 |
| Syed K. Husain | 0 0 | 0 0 | 01.04.2014 31.03.2015 | 0 | Nil holding during the year | 0 | 0 |
| Farukh S. Wadia | 0 0 | 0 0 | 01.04.2014 31.03.2015 | 0 | Nil holding during the year | 0 | 0 |

| Shareholder's Name | Shareholding | | Date of Transaction | Increase/ (Decrease) in shareholding | Reason | Cumulative Shareholding during the year | |
|---------------------------------------|--|----------------------------------|---------------------|--------------------------------------|------------------------------|---|----------------------------------|
| | No. of Shares at the beginning (01.04.2014)/end of the year (31.03.2015) | % of total Shares of the Company | | | | No. of shares | % of total shares of the company |
| Sandeep P. Parikh | 100 | 0.001 | 01.04.2014 | Nil | Nil movement during the year | 100 | 0.001 |
| | 100 | 0.001 | 31.03.2015 | | | | |
| Bhumika Batra (w.e.f. 30/03/2015) | 0 | 0 | 30.03.2015 | 0 | Nil holding during the year | 0 | 0 |
| | 0 | 0 | 31.03.2015 | | | | |
| Key Managerial Personnel | | | | | | | |
| Nitin B. Akolkar Company Secretary | 0 | 0 | 01.04.2014 | 5 | Purchase | 5 | negligible |
| | 5 | negligible | 14.08.2014 | | | | |
| | | | 31.03.2015 | | | | |

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in Rs.)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|-----------|--------------------|
| Indebtedness at the beginning of the financial year 01/04/2014 | 323592607 | 12374066 | 119792000 | 455758673 |
| i) Principal Amount | - | - | 383957 | 383957 |
| ii) Interest due but not paid | - | - | 5590504 | 5590504 |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 323592607 | 12374066 | 125766461 | 461733134 |
| Change in Indebtedness during the financial year | 165682327 | 105060393 | 30025745 | 300768465 |
| • Addition | 170399386 | 81782863 | 24717398 | 276899647 |
| • Reduction | | | | |
| Net Change | (4717059) | 23277530 | 5308347 | 23868818 |
| Indebtedness at the end of the financial year 31/03/2015 | 318875548 | 35651596 | 123462000 | 477989144 |
| i) Principal Amount | - | - | 494290 | 494290 |
| ii) Interest due but not paid | - | - | 7118518 | 7118518 |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 318875548 | 35651596 | 131074808 | 485601952 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs.)**

| Sl. No. | Particulars of Remuneration | Name of WTD | |
|---------|---|-----------------------|-----------|
| | | Mr. Areef Asgar Patel | |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | 34,96,900 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | 4,31,526 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | - |
| 2. | Stock Option | | - |
| 3. | Sweat Equity | | - |
| 4. | Commission | | - |
| 5. | Others- Employer contribution to provident fund | | 3,81,600 |
| | Total (A) | | 43,10,026 |
| | *Ceiling as per the Act | | 60,00,000 |

*As per Part II Section II Table A of Schedule V of Companies Act 2013.

B. Remuneration to other directors: (Amount in Rs.)

| Name of Director | Fee for attending board / committee meetings | Commission | Others | Total |
|---|---|------------|--------|-----------------|
| 1. Independent Director | | | | |
| Mr. P.S.G. Nair | 2,25,000 | - | - | 2,25,000 |
| Mr. Sandeep P. Parikh | 1,80,000 | - | - | 1,80,000 |
| Mr. Farukh S.Wadia | 2,25,000 | - | - | 2,25,000 |
| Total (1) | | | | 6,30,000 |
| 2. Other Promoter /Non Executive Director | | | | |
| Mr. Asgar S. Patel | 15,000 | - | - | 15,000 |
| Mr. Syed K. Husain | 1,25,000 | - | - | 1,25,000 |
| Total (2) | | | | 1,40,000 |
| Total (1)+(2) | | | | 7,70,000 |
| Ceiling as per the Act | 1% of the net profits calculated as per section 198 of the Companies Act 2013 exclusive of sitting fees payable to Directors. No other remuneration other than sitting fees has been paid to non executive directors during the financial year 2014-15. | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: (Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | |
|---------|---|--------------------------|----------|
| | | Company Secretary | |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | 6,26,763 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | - |
| 2. | Stock Option | | - |
| 3. | Sweat Equity | | - |
| 4. | Commission | | - |
| 5. | Others- Employer contribution to provident fund | | 56,880 |
| | Total (A) | | 6,83,643 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |

For and on behalf of the Board of Directors

Registered Office:

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

Mumbai, dated 29th July, 2015

AREEF A. PATEL - Executive Vice Chairman

P. S. G. NAIR - Director

REPORT ON THE CORPORATE GOVERNANCE

[Pursuant to clause 49(X) of the Listing Agreement]

A) COMPANY'S PHILOSOPHY ON THE CORPORATE GOVERNANCE:

The Company strongly believes in values of transparency, professionalism and accountability which are the mainstay of good Corporate Governance. The Company has consistently practiced good Corporate Governance and will endeavor to improve on it on an ongoing basis.

We strive to achieve the corporate objectives within the framework of the national interest, macro and micro economic policies devised by the Government of India and to conduct the business affairs of the Company in an ethical and transparent manner, also strive for the maximization of the shareholders' wealth and in doing so contribute positively to the economic development of India and achievement of the overall objectives of the Company.

Your Company has complied with all the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Agreement(s).

B) THE BOARD OF DIRECTORS:

Composition and No. of Board Meetings:

The Board of Directors has judicious mix of Executive and Non-Executive Directors as on 31st March, 2015, comprised of a Non-Executive Chairman who is promoter of the Company, a Whole-time Director designated as Executive Vice-Chairman and five Non-Executive Directors. Four Non-Executive Directors are Independent Directors.

During the financial year ended 31st March 2015, Nine Board Meetings were held. Dates on which Board Meetings were held are 07-04-2014, 28-05-2014, 04-07-2014, 28-07-2014, 12-08-2014, 10-11-2014, 05.01.2015, 12-02-2015 and 30-03-2015.

Composition of the Board of Directors as at 31st March 2015, their attendance at Board Meetings during the year ended on that date and at the last Annual General Meeting as also number of other directorships and chairmanships / memberships of committees held by them, as on that date are as given below:

| Sr. No. | Name of the Director | Category of Directorship | No. of Board Meetings Attended | Attendance at the Last A.G.M. | No. of other Directorships (Including Pvt. Ltd. Companies) | Committee Memberships | |
|---------|-----------------------|--------------------------|--------------------------------|-------------------------------|--|-----------------------|--------|
| | | | | | | Chairman | Member |
| 1. | Mr. Asgar S.Patel | NEC | 1 | No | 1 | - | - |
| 2. | Mr. Areef A.Patel | WTD | 9 | Yes | 1 | - | 1 |
| 3. | Mr. P.S.G.Nair | NEID | 9 | Yes | Nil | 3 | - |
| 4. | Mr. Syed K. Husain | NED | 9 | Yes | 4 | - | 1 |
| 5. | Mr. Sandeep P. Parikh | NEID | 7 | Yes | 12 | - | 3 |
| 6. | Mr. Farukh S.Wadia | NEID | 9 | Yes | Nil | Nil | 3 |
| 7. | *Ms. Bhumika Batra | NEID | Nil | No | 9 | - | - |

NEC - Non Executive Chairman

WTD - Whole-time Director (designated as Executive Vice-Chairman)

NED - Non Executive Director

NEID - Non Executive Independent Director

*Ms. Bhumika Batra was appointed as additional independent Director w.e.f. 30th March 2015.

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company and your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under Section 149 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement. A sample of the letter of appointment is available on the website of the Company i.e. www.patel-india.com.

Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors of the Company was held on 30th March, 2015, without the attendance of Non-Independent Directors and members of the management.

The familiarization programme for Independent Directors in terms of provisions of Clause 49 of the Listing Agreement is uploaded on the website of the Company and can be accessed through the following link:

<http://patel-india.com/wp-content/uploads/2014/06/FamiliarisationProgrammeforIndependentDirector.pdf>

Performance Evaluation:

The Nomination and Remuneration Committee has laid down criteria for Performance evaluation of Board of Directors. Accordingly the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its other Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as Ethics and Values, Knowledge and Proficiency, Diligence at meetings, Behavioral and strategic traits etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors after taking into views of executive director. The Directors expressed their satisfaction with the evaluation process.

C) COMMITTEES OF THE BOARD OF DIRECTORS:

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement.

1) Audit Committee:

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes oversight of the financial reporting process, the audit process, the adequacy of internal controls, transactions with related parties and compliance with applicable laws and regulations.

Composition:

The Audit Committee comprises of 4 Directors as on 31st March 2015 i.e. Mr. P. S. G. Nair, Mr. Areef A. Patel, Mr. Farukh S. Wadia and Mr. Sandeep P. Parikh. Mr. P. S. G. Nair is the Chairman of the Committee. The Audit Committee met 5 times during the year ended 31st March, 2015. Dates on which Audit Committee Meetings were held are 28-05-2014, 12-08-2014, 10-11-2014, 05-01-2015 and 12-02-2015. Attendance of the members of the Committee at the Audit Committee Meetings held during the financial year ended 31 March, 2015, was as follows:

| SR.NO. | NAME OF THE MEMBER | STATUS | NO. OF MEETINGS ATTENDED |
|--------|-----------------------|----------|--------------------------|
| 1. | Mr.P.S.G.Nair | Chairman | 5 |
| 2. | Mr. Areef A. Patel | Member | 5 |
| 3. | Mr.Farukh S.Wadia | Member | 5 |
| 4. | Mr. Sandeep P. Parikh | Member | 5 |

The Audited Annual Accounts for the year ended 31st March, 2015, were placed before the Committee for its consideration in the Audit Committee Meeting held on 28th May, 2015.

Terms of Reference:

The scope of the work of the Audit Committee include areas prescribed by clause 49-III(D) of the Listing Agreement and Section 177 of the Companies Act, 2013. The Terms of Reference of the Audit Committee broadly include the following:

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

-
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
 - e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval with particular reference to matters required to be included in the Director's Responsibility Statement, changes, if any, in accounting policies and practices and reasons for the same, Major accounting entries involving estimates based on the exercise of judgment by management, Significant adjustments made in the financial statements arising out of audit findings, Compliance with listing and other legal requirements relating to financial statements, Disclosure of any related party transactions and Qualifications in the draft audit report;
 - f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - h) Approval or any subsequent modification of transactions of the company with related parties;
 - i) Scrutiny of inter-corporate loans and investments;
 - j) Valuation of undertakings or assets of the company, wherever it is necessary;
 - k) Evaluation of internal financial controls and risk management systems;
 - l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - n) Discussion with internal auditors of any significant findings and follow up there on;
 - o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders in case of non-payment of declared dividends and creditors;
 - r) To review the functioning of the Whistle Blower mechanism;
 - s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

2) Stakeholders' Relationship Committee:

The committee was reconstituted on 28th May 2014 as 'Stakeholders Relationship Committee' in accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of the erstwhile Shareholders' Grievance Committee was conferred on Stakeholders Relationship Committee.

Terms of Reference:

To oversee the redressal of the shareholders'/investors/Depositors' complaints like the transfer of shares, non-receipt of balance sheet, non-receipt of the declared dividend etc.

Composition:

The Stakeholders Relationship Committee comprises of Three Non-Executive Directors i.e. Mr.P.S.G.Nair, Mr. Syed K, Husain and Mr. Farukh S. Wadia. Mr.P.S.G.Nair is the Chairman of the Committee. The Stakeholders Relationship Committee met twice during the financial year ended 31st March 2015. Dates on which Shareholders' Grievance Committee Meetings were held are 30-04-2014 and 30-10-2014. Attendance of the members of the Committee at the Shareholders' Grievance Committee Meetings was as follows:

| SR.NO. | NAME OF THE MEMBER | STATUS | NO.OF MEETINGS ATTENDED |
|--------|---------------------|----------|-------------------------|
| 1. | Mr. P.S.G.Nair | Chairman | 2 |
| 2. | Mr. Syed K. Husain | Member | 1 |
| 2. | Mr. Farukh S. Wadia | Member | 2 |

During the year 2014-2015, 17 (Seventeen) complaints were received from shareholders/investors. All these complaints have been replied to the satisfaction of the complainants.

Mr. Nitin B. Akolkar, Company Secretary also functions as the Compliance Officer.

The Company is also redressing the complaints through SCORES, which is centralized web based complaints redress system developed by SEBI.

All valid transfers received during the year 2014-2015 have been acted upon by the Company.

3) Nomination and Remuneration Committee:

The committee is reconstituted on 28th May 2014 as 'Nomination and Remuneration Committee' in accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of the erstwhile Remuneration and Compensation Committee was conferred on Nomination and Remuneration Committee.

Terms of Reference:

The Terms of Reference of the Nomination and Remuneration Committee broadly include the following:

- a) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal;
- b) To carry out evaluation of every Director's performance;
- c) To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- d) To formulate the criteria for evaluation of Independent Directors and the Board;
- e) To devise a policy on Board diversity;
- f) To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
- g) To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme;
- h) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- i) To perform such other functions as may be necessary or appropriate for the performance of its duties.

Composition:

The Nomination and Remuneration Committee as on 31st March 2015, comprised of 3 Non-Executive Independent Directors and 1 Whole Time Director i.e. Mr.P.S.G.Nair, Mr. Sandeep P. Parikh, and Mr.Farukh S.Wadia who are Non-Executive Independent Directors and Mr. Areef A. Patel who is Whole Time Director. Mr.P.S.G.Nair is the Chairman of the Committee.

The Nomination and Remuneration Committee met twice during the financial year 2014-2015. i.e. on 03-07-2014 and 30-03-2015. The meeting was attended by all four members.

Remuneration Policy:

On recommendation of Nomination and Remuneration Committee, the Board has adopted a policy which inter alia, deals with criteria for determine the qualifications, positive attributes and independence of a director, remuneration for the directors, key managerial personnel and other employees and also to lay down the criteria for various matters like training of independent directors and performance evaluation of directors.

The material points of the policy is as under:

CRITERIA FOR SELECTION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In case of Executive Directors and Key Managerial Personnel, the selection can be made in either of the ways given below:

- a) by way of recruitment from outside;
- b) from within the Company hierarchy; or
- c) Upon recommendation by the Chairman or other Executive Director.

The appointment may be made either to fill up a vacancy caused by retirement, resignation, death or removal of an existing Executive Director and Key Managerial Personnel or it may be a fresh appointment.

In case of Non-Executive Directors the selection can be made in either of the ways given below:

- a) by way of selection from the data bank of Independent Directors maintained by the Government.
- b) Upon recommendation by Chairman or other Executive Director.

The appointment may be made either to fill up a vacancy caused by resignation, death or removal of an existing Non-Executive Director or it may be appointment as an additional director or an alternate director.

The due consideration shall be given for Qualification, Experience and Positive Attributes of Directors before selection of Directors as well as Board Diversity and Independence of Directors shall be observed by the Board, as far as is practicable.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES:

- a) While determining the remuneration of Executive Directors and Key Managerial Personnel, the Board shall consider following factors:
 - i) Criteria / norms for determining the remuneration of such employees prescribed in the HR Policy.
 - ii) Existing remuneration drawn.
 - iii) Industry standards, if the data in this regard is available.
 - iv) Key Result Area (KRA).
 - v) Qualifications and experience levels of the candidate.
 - vi) Remuneration drawn by the outgoing employee, in case the appointment is to fill a vacancy on the death, resignation, removal etc. of an existing employee.
 - vii) The remuneration drawn by other employees in the grade with matching qualifications and seniority, if applicable.
- b) The determination of remuneration for other employees shall be governed by the HR Policy.
- c) The proposal for the appointment of an Executive Director / Key Managerial Personnel shall provide necessary information in this regard which will assist the Board in arriving at the conclusion as to whether or not the remuneration offered to the candidate is appropriate, reasonable and balanced as to the fixed and variable portions (including the commission).
- d) The total remuneration payable to the Executive Directors, including the Commission and value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of section 197 and section 198 of the Companies Act, 2013.
- e) The Executive Directors shall not be eligible to receive sitting fees for attending the meetings of the Board or committees thereof.

- f) The Non-Executive Directors shall not be eligible to receive any remuneration / salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board / shareholders from time to time.

The Non-Executive Directors shall also be eligible to the reimbursement of the reasonable out-of-pocket expenses incurred by them for attending the meetings of the Board, committees including the travelling and lodging & boarding expenses on an actual basis.

- g) The amount of sitting fee and commission payable to Non-Executive Directors shall not exceed the limits prescribed under the provisions of the Companies Act, 2013.

Details of the Managerial Remuneration paid during the year ended 31st March, 2015:

Details of managerial remuneration paid during the year ended 31st March, 2015 is stated in the Form MGT- 9 – Extract of the Annual Return which forms part of the Board's Report in this Annual Report. The Company has not paid any remuneration to Non-Executive Directors during the year ended 31st March, 2015, except sitting fees for attending meetings of the Board of Directors and Committees thereof.

4) Risk Management Committee:

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- 1) To monitor and review of the risk management plan.
- 2) To identify and report to the Board the elements of risk associated with all the areas of business.
- 3) To perform such other functions as may be directed by the Board from time to time as it may deem fit.

Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

The composition of the Risk Management Committee as at 31st March, 2015 are as under:

| Name of the Member | Category | Status |
|---------------------|----------------------|----------|
| Mr. Areef A. Patel | Whole Time Director | Chairman |
| Mr. Farukh S. Wadia | Independent Director | Member |
| Mr. Sandeep Parikh | Independent Director | Member |
| Mr. Charanjit Singh | Senior Executive | Member |
| Mr. Deepak Keni | Senior Executive | Member |

5) Corporate Social Responsibility (CSR) Committee:

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are become applicable to the company only at the end of the financial year i.e. on 31st March 2015 upon meeting the threshold criteria of net profit of Rs.5.00 crore or more and hence the Company had not spend any amount towards the CSR activities in the financial year 2014-15. The Company has initiated necessary steps to implement CSR activities in current financial year.

The Company, being covered under the provisions of the said Section, has formed a Committee of Directors, titled "Corporate Social Responsibility Committee" on 28th May 2015 as under:

| Name of the Member | Category | Status |
|--------------------|------------------------|----------|
| Mr. Areef A. Patel | Whole Time Director | Chairman |
| Mr. Syed K. Husain | Non Executive Director | Member |
| Mr. Sandeep Parikh | Independent Director | Member |

6) Share Transfer Committee:

The transfer of shares of the Company are processed by Share Transfer Agents i.e. Bigshare Services Private Limited and are approved by the Share Transfer Committee. The Share Transfer Committee met 22 times during the year ended 31st March, 2015 and approved transfer of shares, transmission of shares or name deletion of shareholders etc.

D) RELATED PARTY TRANSACTIONS:

Your Company enters into various transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 in its ordinary course of business. All the RPTs are undertaken in compliance with the provisions set out in Companies Act, 2013 and Clause 49 of the Listing Agreement. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link:

<http://patel-india.com/wp-content/uploads/2014/06/PolicyforRelatedPartyTransactions.pdf>

The Company has a process for RPTs and the transactions with Related Parties are referred to the Audit Committee for its approval at the scheduled quarterly meetings or as may be called upon from time to time along with all relevant and stipulated information of such transaction(s).

During the financial year ended 31st March, 2015, the Company has entered into RPTs in the ordinary course of business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Clause 49 of the Listing Agreement and the Policy of the Company on dealing with RPTs. During the financial year ended 31st March, 2015, there are no transactions with related parties which qualify as a material transaction in terms of the applicable provisions of Clause 49 of the Listing Agreement. The details of the RPTs are set out in the Notes to Financial Statements forming part of this Annual Report. The ICD taken from related party was prior to commencement of section 188 of Companies Act 2013.

E) SUBSIDIARY:

During the year ended 31st March, 2015, the Company does not have any Subsidiary Company.

F) GENERAL BODY MEETINGS:

Details of last three Annual General Meetings of the Company are given below:

| Year | Date | Time | Venue | No. of Special Resolutions passed |
|------|------------|------------|---|-----------------------------------|
| 2014 | 21.08.2014 | 11.00 a.m. | Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai- 400 049. | Nil |
| 2013 | 25.09.2013 | 11.00 a.m. | Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai- 400 049. | 1 |
| 2012 | 28.09.2012 | 11.00 a.m. | Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai- 400 049. | 1 |

Postal Ballot:

Resolutions passed through Postal Ballot on July 23, 2014.

One ordinary resolution and two special resolutions was passed on July 23, 2014 through postal ballot, pursuant to provisions of section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, in respect of the following items:

- 1) Ordinary Resolution for Acceptance of Deposits from Members and /or Public u/s 73 and 76 of the Companies Act, 2013;
- 2) Special Resolution for Limits of Borrowings u/s 180(1)(c) of the Companies Act, 2013;
- 3) Special Resolution for Creation of Charges u/s 180(1)(a) of the Companies Act, 2013.

Mr. Dinesh Kumar Deora, Practising Company Secretary was appointed as a Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

All Postal ballot Forms received either in physical or by casting of votes electronically through CDSL portal up to the close of working hours (6.30 P.M.) on 19th July, 2014, the last date and time fixed by the Company for receipt of the Forms, were considered for scrutiny.

The scrutinizer submitted his report to the Executive Vice Chairman on 23rd July 2014. Based on the scrutinizers report the result of Postal Ballot were declared at the Registered Office of the Company.

All the three resolutions were approved by the shareholders with the requisite majority.

G) DISCLOSURES:

- 1) During the year ended 31st March, 2015, there were no transactions of material nature entered into by the Company with Promoters, Directors, Key Managerial Persons, their relatives or the Management etc. that has potential conflict with the interest of the Company.
- 2) There were no instances of non-compliances nor were any penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- 3) In terms of the requirements of Clause 49(IX) of the Listing Agreement, Mr. Areef Patel the Executive Vice-Chairman and Mr. Deepak M. Keni VP- Finance and Accounts (heading the finance function) have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause.

4) Whistle Blower Policy:

In compliance with clause 49(IIF) of the Listing Agreement, and Section 177(9) of the Companies Act 2013, the Company has Whistle Blower Policy for directors and employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. During the year under review, no employee was denied access to the Audit Committee.

5) Code of Conduct:

The Board of Directors have adopted the Code of Conduct for Directors and Senior Management of the Company (the Code). The Code has been communicated to the Directors and members of the Senior Management, as defined in the said Code. The Code has also been posted on the Company's web-site i.e. www.patel-india.com.

All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2015. The declaration to this effect signed by Mr. Areef A. Patel, Executive Vice Chairman of the Company forms part of the report.

6) Code of Conduct for Prevention of Insider Trading:

The Board of Directors at its meeting held on 28th May 2015 approved and adopted the 'Patel Integrated Logistics Limited - Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulation, 2015. The Board at its aforesaid meeting also approved the 'Patel Integrated Logistics Limited - Code for Fair Disclosure'.

Code of Conduct for Prevention of Insider Trading covers all the Directors, senior management personnel, persons forming part of promoter(s)/promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company.

7) Details of compliance with mandatory and non-mandatory requirements of Clause 49 of the Listing Agreement:

Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

The Company has adopted following non-mandatory requirement of the Corporate Governance recommended under the clause 49 of the Listing Agreement:

1) The Board:

A Chairman's Office with adequate staff, infrastructure facilities including Company maintained flat and car facility is provided at the Company's expense for the use of the Non-Executive Chairman of the Company to enable him to discharge his responsibilities effectively, when he visits India.

2) Audit qualifications:

During the year under review, there was no audit qualification on the Company's financial statements.

3) Separate posts of Chairman and Managing Director/Whole Time Director:

The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director /Whole Time Director.

H) MEANS OF COMMUNICATION:

- 1) Quarterly Results of the Company are published in English and vernacular language news paper and also displayed on the web-site of the Company i.e. www.patel-india.com. The official updates are sent to the Stock Exchanges. The Annual Report, Quarterly Results and Shareholding Pattern of the Company is also available on the Company's website in a user-friendly and downloadable form.
- 2) Management Discussion and Analysis forms part of this Annual Report.
- 3) The Company also files information through 'NEAPS'- a web based application provided by NSE and also through 'BSE Listing' a web based application provided by BSE which facilitates online filing of Corporate Governance Report, the Shareholding Pattern, Financial Results and Corporate Announcements by the companies.
- 4) The Ministry of Corporate Affairs (MCA) had mandated certain companies to file their Annual Accounts vide XBRL mode. XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. The Company has filed its Annual Accounts on MCA through XBRL.

I) GENERAL SHAREHOLDER INFORMATION:

- 1) The Annual General Meeting of the Company for the year ended March 2015 will be held on Tuesday, the 15th September 2015, at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (West), Mumbai – 400 049, at 11.00 a.m.
- 2) The Financial Year of the Company comprises of a twelve month period which commences on 1st April of every year and ends on 31st March of the immediately succeeding year. The Financial Year under consideration commenced on 1st April, 2014 and ended on 31st March, 2015.

The Financial Calendar:

Board Meeting for consideration of Annual : 28th May 2015
Accounts

Mailing of Annual Reports : 21 clear days prior to the date of AGM as per provisions of Companies Act 2013.

Book Closure Dates : 9th September 2015 to 15th September 2015 (both days inclusive).

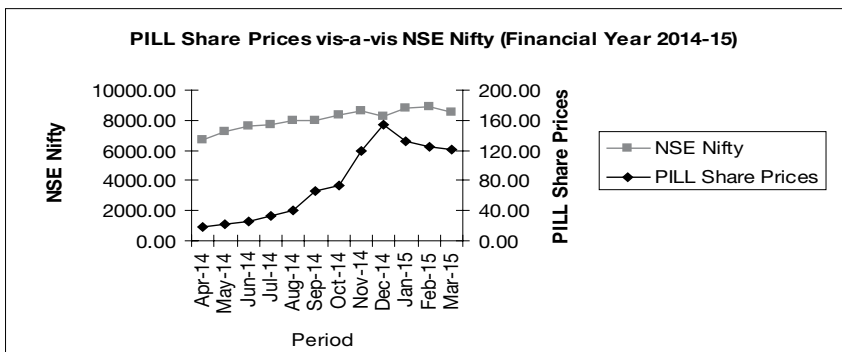
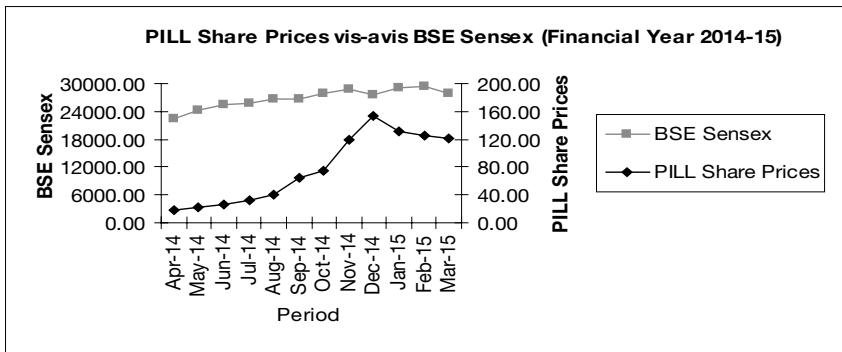
Day, Date, Time and venue of the Annual : Tuesday the 15th September 2015 at 11.00a.m. at The Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai – 400 049.
General Meeting

Board Meetings for the consideration of : Within forty five days from the end of each quarter with Limited Unaudited Financial Results for the next three : review Report as stipulated under the Listing Agreement with quarters of the current accounting year stock exchanges.

- 3) The Book Closure will be from 9th September 2015 to 15th September 2015 (both days inclusive).
- 4) Dividend for the year ended 31st March, 2015, if declared at the Annual General Meeting, will be paid within a period of 30 days, to the shareholders whose names appear on the Register of Members as at the date of the Annual General Meeting.
- 5) Equity Shares of the Company are listed on Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Ahmadabad Stock Exchange Limited, and The Calcutta Stock Exchange Association Limited.
The Delhi Stock Exchange Association Limited and Madras Stock Exchange Limited ceased to be stock exchanges upon exit orders passed by SEBI to respective stock exchanges in that connection.
- 6) a) Scrip Code on the Bombay Stock Exchange Limited : 526381
b) Scrip ID on the National Stock Exchange of India Limited : PATINTLOG-EQ
- 7) ISIN (Security Code no. granted by Depositories): INE529D01014

- 8) The monthly high and low quotations of shares traded on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

| MONTH | BSE (in Rs. per share) | | NSE (in Rs. per share) | |
|----------------|---------------------------|-------------|---------------------------|-------------|
| | Monthly High | Monthly Low | Monthly High | Monthly Low |
| April 2014 | 19.65 | 15.50 | 19.25 | 16.00 |
| May 2014 | 26.70 | 15.20 | 27.50 | 14.35 |
| June 2014 | 32.95 | 22.25 | 32.30 | 22.05 |
| July 2014 | 40.30 | 25.00 | 40.50 | 25.00 |
| August 2014 | 47.60 | 31.50 | 47.80 | 30.75 |
| September 2014 | 64.85 | 36.80 | 65.15 | 36.10 |
| October 2014 | 81.70 | 60.25 | 81.75 | 58.50 |
| November 2014 | 140.00 | 71.35 | 138.40 | 71.50 |
| December 2014 | 157.70 | 112.00 | 157.90 | 105.90 |
| January 2015 | 157.00 | 129.25 | 156.75 | 125.00 |
| February 2015 | 141.80 | 113.90 | 141.65 | 112.00 |
| March 2015 | 141.00 | 95.70 | 140.90 | 95.70 |



9) **Registrars and Share Transfer Agents (STA):**

The Share Transfer work of the Company was being looked after by M/s Bigshare Services Private Limited (STA) having office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072. The STA have the necessary infrastructure to carry out share transfer work for shares in physical as well as in dematerialized form including the necessary connectivity with depositories. The STA also accepts and deals with investors' complaints.

10) **Share Transfer System:**

Company's shares are traded on the Stock Exchange compulsorily in the dematerialized form. Shares in physical form which are lodged with the STA for transfer are processed and the share certificates are returned to concerned person after transfer, subject to the documents being valid and complete in all respect.

11) **Distribution of Shareholding as on 31st March 2015:**

| NO.OF SHARES | NO.OF SHARE HOLDERS | % OF SHARE HOLDERS | SHARE HOLDING | % OF SHARES HELD |
|-----------------|---------------------|--------------------|--------------------|------------------|
| Up to 500 | 15,422 | 89.81 | 21,62,897 | 14.24 |
| 501-1000 | 871 | 5.07 | 7,05,557 | 4.64 |
| 1001-2000 | 408 | 2.38 | 6,22,942 | 4.10 |
| 2001-3000 | 147 | 0.86 | 3,77,624 | 2.49 |
| 3001-4000 | 66 | 0.38 | 2,42,380 | 1.60 |
| 4001-5000 | 73 | 0.43 | 3,41,407 | 2.25 |
| 5001-10000 | 97 | 0.56 | 7,25,596 | 4.78 |
| 10001 and above | 88 | 0.51 | 1,00,08,209 | 65.90 |
| TOTAL | 17,172 | 100.00 | 1,51,86,612 | 100.00 |

12) **Shareholding Pattern of the Company as on 31st March 2015:**

| CATEGORY | NO.OF SHARES HELD | % SHARE HOLDING |
|--|--------------------|-----------------|
| Group Holding (Including Indian & NRI Promoters & Group Companies) | 69,12,792 | 45.52 |
| Indian Mutual Funds | 9,205 | 0.06 |
| Banks and Financial Institutions | 15,622 | 0.10 |
| Foreign Inst. Investors | 30,039 | 0.20 |
| Corporate Bodies (Other than Promoters) | 7,90,305 | 5.20 |
| Non Resident Indians (Other than Promoters) | 4,69,902 | 3.09 |
| Indian Public | 67,73,388 | 44.60 |
| Other-Clearing Member / Market Maker | 1,85,359 | 1.23 |
| TOTAL | 1,51,86,612 | 100.00 |

13) **Details of unclaimed shares :**

In terms of clause 5All of the Listing Agreement, there are no unclaimed share certificates as on 31st March 2015.

14) **Constituents of House of Patels (Promoters and Promoter's group):**

a) Mr. Asgar S. Patel b) Mrs. Yasmin A. Patel c) Mr. Areef A. Patel d) Mrs. Natasha R. Pillai e) A.S.Patel Trust f) Patel Holdings Limited g) Wall Street Securities & Investments (India) Ltd h) Natasha Constructions Private Limited i) Patel Real Estate Developers Pvt. Ltd j) Natasha Homes Pvt. Ltd k) Natasha Construction Projects Pvt. Ltd l) Transways Combines Pvt. Ltd. m) Wall Street Derivatives and Financial Services (India) Ltd n) One capital Limited o) Goldman (Patel Family) Beneficiaries Trust.

15) **Details of Dematerialisation of shares:**

As on 31st March, 2015, 93.45% of the Company's total Shares representing 1,41,92,251 Equity Shares were held in dematerialized form and balance 6.55% representing 9.94,361 Equity Shares were held in physical (paper) form.

16) **Outstanding GDRs/ADRs/Warrants or any Convertible instruments:**

The Company has not issued any GDRs/ ADRs/ warrants or any convertible instruments.

17) **Information for Communication:**

a) Registered Office:
 "Patel House", 5th Floor, Plot No. 48,
 Gazdarbandh, North Avenue Road,
 Santacruz (West), Mumbai – 400 054.
 Tel : (022) 2605 0021
 Fax : (022) 2605 2554
 Email : pill_investorservices@patel-india.com

b) Registrars & Share Transfer Agents:

Bigshare Services Private Limited,
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai - 400072
Tel: (022) 40430200
Fax: (022) 28475207
E-mail : investor@bigshareonline.com

c) Depositories:

National Securities Depository Limited
Trade World, A wing, 4th & 5th Floors,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013.
Tel : (022) 2499 4200
Fax : (022) 2497 6351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers,
17th Floor, Dalal Street,
Mumbai - 400 001.
Tel : (022) 2272 3333
Fax : (022) 2272 3199 / 2272 2072
E-mail : investors@cdslindia.com
Website : www.cdslindia.com

Shareholders holding shares in physical mode are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account mandate details, residential status and queries / complaints etc. quoting their folio numbers to the Registrars & Share Transfer Agents of the Company or may also contact Company Secretary at the registered office of the Company.

Shareholders holding shares in the dematerialized form shall address their correspondence regarding their shareholding to their respective Depository Participants (DP). and can address their queries / complaints to the Registrars & Share Transfer Agents of the Company or may also contact Company Secretary at the Registered office of the Company.

Declaration as required under Clause 49(II)(E)(2) of the Listing Agreement

All Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2015.

Areef A. Patel
Executive Vice Chairman

Mumbai, 29th July, 2015

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE TO THE MEMBERS OF PATEL INTEGRATED LOGISTICS LIMITED

We have examined the compliance of corporate governance by Patel Integrated Logistics Limited for the year ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency / effectiveness with which the management has conducted the affairs of the Company.

For M S P & CO.
Chartered Accountants
(FRN. 107565W)

M. S. PARIKH
(Partner)
(M No. 08684)

Place: Mumbai,
Date: 29th July, 2015

MANAGEMENT DISCUSSION & ANALYSIS REPORT

(Within the limits set by the Company's competitive position)

Economic Scenario:

The year 2014-15 has been a year marked by excitement and its share of challenges. In the recent past, the economy faced testing times with issues like lower growth, high levels of inflation and widening current account deficit; escalated by an unsupportive external environment. While many macro-economic indicators have improved during the course of the year, the journey to realize the growth potential of the economy is slow and challenging. The GDP growth rate is 7.4 per cent in 2014-15. The decline in crude prices has helped in controlling the trade deficit and easing inflation. The year also witnessed lower volatility in the foreign exchange market with the rupee remaining relatively stable during 2014-15, as compared to year 2013-14. While the growth in industrial and services sectors improved significantly, growth in the agricultural sector, affected by below-par domestic agricultural season in 2014-15.

The growth in services sector accelerated to 10.6 per cent in 2014-15. Services like trade and repair services, rail transport, communication and broadcasting services achieved remarkable growth during the year. However, sectors like water transport and storage services lagged behind.

The Indian logistic industry is also growing rapidly. The market is on a growth trajectory owing to rapid globalization and 100% FDI allowance in logistics. With the growing e-commerce business in India, the logistic planning is beginning to get lot of importance. India today looking at developments in warehousing, cold storage where huge investments are expected.

The Indian logistics sector growth depends on the growth of its soft infrastructure like education, training and policy framework as much as the hard infrastructure. To support India's fast paced economy growth of logistics industry is very essential. It is estimated that the Indian logistics sector will continue to show robust growth of 10-15% annually, leading the pace of growth of the economy at large. GST is expected to play a transformative role in the way our economy functions. It will add buoyancy to our economy by developing a common Indian market and reducing the cascading effect on the cost of goods and services. Domestic freight market is expected to grow considerably provided freight companies diversify their business to other logistic segments.

Company's Business in brief:

Your Company offers a complete range of Logistics Products, which include following business activities:

- Surface Transport
- Door Pick-up and Door Delivery
- Domestic Cargo Consolidation
- International Freight Forwarding & Courier Consolidation
- Warehousing

Your Company is a single stop Logistics Services Provider, offering unified Logistics solutions through the extensive infrastructure of Offices and Delivery Destinations across all over the country.

(A) PATEL ROADWAYS

This division of the Company represents the Surface Transport business of the Company which is used in the movement of industrial raw material and finished products. Being one of the oldest and foremost transport providers, this division is catering to a host of reputed clients in the hard freight section. This division has two products, one is FTL(Full Truck Loads) catering to end to end movement of goods in a single trip and other is LTL(Less Than Truck Loads) catering to hub to end locations. This division has huge nation wide network which enables the division to serve its customers efficiently.

Industry overview:

The entire transport sector bore the brunt of industrial slowdown over the past 5 years where production levels and consumption dropped. High fuel prices, continuing double digit inflation and high interest rates stifled consumption. However the worst seems to be over for the sector. With softening fuel prices, inflation levels easing to lowest levels, RBI signaling a softening of interest rates the sector looks set to reap the benefits of industrial turnaround which will be fueled by increased consumption. The new government has completed one year of governance and during the period has quickly addressed core issues like freeing coal supply through auction thereby giving a boost to the power sector. Land acquisition bill passage will help in easing setting up of manufacturing facilities and may invite MNCs to have set up in the country. All such policies will help in boosting the industrial production which directly impacts the transport sector positively.

Opportunities & Threats:

The next few years will draw a lot of attention to India being one of the fastest growing economies with the rest part of the world fighting deflation or stagflation. India looks set to provide the perfect environment for MNC's to have their set up in India, with a large population ready to splurge on consumer products. With rising economic success the new breed of middle class seem to be fuelling demand across the country into Tier 2 towns too. E-commerce portals are also gaining significant market share thereby creating more focus on logistics than ever. GST which will be implemented in 2016 will fuel another round of high growth for the transport sector.

Patel Roadways is poised to reap the maximum benefits post implementation of GST as free movement of goods and services become a norm. with State barriers being dismantled more and more companies will look to transport goods directly to end users under FTL product as this guarantees them savings and safety as there is minimum manual intervention in handling leading to huge reduction in damages. The division with its huge national network is well poised to grow exponentially in coming years.

Still, the division remains vulnerable to certain threats like any significant international event which can lead spike in fuel prices, reversal in inflation, hike in interest rates. Apart from this, the risk involved in road transport is very high and vehicles moving with high value goods are always under threat of thefts and pilferages and the incidences of missing vehicles are also increasing inspite of VTS being in place. The condition of roads except for a few highways remains poor leading to high maintenance costs.

The current overall logistics market is largely mullied by rising freight costs due to volatile fuel prices, lack of skilled manpower and infrastructural bottlenecks. However, a surge of government initiatives in the form of National Highways Development Project (NHDP), development of Dedicated Freight Corridor of Indian Railways, port sector initiatives and shift to GST regime are providing the necessary impetus to the overall logistics industry.

Outlook:

The outlook for the transportation market in India continues to remain extremely positive offering significant opportunities to all concerned stakeholders. Tax reforms will lead to a significant rise in warehousing activity thereby directly impacting the transportation needs.

Surface Transport Sector success largely depends upon infrastructural facilities available in the country. The demand for surface transport has been robust and can only surge forward subject to revival of economic growth. The focus on improving basic road infrastructure as well as technology adoption has increased in recent years. The number of expressways and highways has increased; many roads have been widened; electronic toll collection is becoming increasingly common; the 'green channel' concept is gaining ground, and inter-state check posts are becoming automated. Other examples of key progressive measures include the development of Indian Road Transportation Exchange (IRTEX) and gradual fleet modernization. Thus, against the backdrop of positive initiatives led by industry stakeholders, the industry, as a whole, needs to continue tapping the advantages of road transportation more efficiently and optimally than ever before.

Focus on skilled manpower, technology adoption and competitive pricing are the key strategies to expect a sustainable growth trajectory in the business .

Risks & Concerns:

The Road Transport Sector is subjected to many inherent operational risks like fragmented ownership of vehicles, poor infrastructure of roads, bureaucratic delays at the borders, poor vehicular maintenance, etc. It is also exposed to market risks and financial risks to which all the corporates are exposed. These include risks like fluctuations in the economy and sudden changes in the Governmental policies and laws at macro level and risks like increase in the prices of component parts and fuel, increase in the hiring charges of vehicles etc. at micro level. Besides these, the Road Transport Sector is also saddled by natural calamities and events like bandhs and riots in various parts of the country. The fuel hikes on petrol, diesel, CNG and LPG which leads to increase in the Freight rates, affects the prices of all the commodities and raw materials. The industry is also facing huge shortage of skilled drivers & hamals. The ability of the government to boost spending and consumption by driving down inflation and reducing interest rates remains a concern.

(B) PATEL RETAIL

This division provides Premium Door-to-Door Express Cargo Service to over 250 branches serving more than 450 delivery stations, covering the length and breadth of the Country. The differentiation factor between conventional roadways and express cargo can be explained in simple terms as Express Cargo offers movement in a defined transit and convenience of Door Pick Up and Door Delivery at a single price point.

Industry Overview:

Retail business has been born out of the current need of the market, where organizations wanted to reduce their costs on warehousing, manpower, inventory, wastages due to storage, damages or expiry. Supply Chain managers implementing Just In Time policy which ensure reduction in inventory and timely supply of material as per requirement. This eliminates requirements of large warehousing space and significant reduction in inventories. Large segment of corporates are willing to pay a premium for assured deliveries in guaranteed transit time. This leads to a boom in Express Cargo business which is now growing at a good pace. The Express Cargo industry primarily caters to the transportation of consumer goods which are high value and compact in nature. With the boom in consumer market and increase in living standard of middle class people of the country, Express Cargo industry is set to grow at a scorching pace in coming years. Ecommerce is another emerging large client for the surface transport sector with huge loads moving across the country.

Opportunities & threats:

The Retail business is growing in India due to increase in modern trade and malls in the newly developing cities across India and the demand for products are increasing rapidly. Moreover, in order to maintain its competitiveness, companies operating in textiles, automobiles and pharmaceuticals, IT peripherals industries are expected to outsource their logistics requirements to third party logistics service provider (3PL) and concentrate on their core-competency of manufacturing.

The opportunities in this business is extraordinary. Using strength of our existing infrastructure of nearly 350 branches / offices / hubs, VTS scheduled vehicles, Centralised Delivery System and aggressive team of operations, our Company has already tested success as this division logging good returns to the Company. Due to growth in e-commerce in India in last two years the scope for the express industry is widened.

Challenges faced by the division includes that this industry becoming more and more competitive. Existence of many Global Companies as well as established Indian Companies in this field, made the market competitive.

The other challenges includes matching upto the rising expectations of the customer, expanding the network to reach hitherto uncovered areas, containing rising fuel and freight costs and retention of manpower. The business involves well integrated micro planning at all levels of operations from pick up to delivery.

Outlook:

The express cargo sector will continue to shine as a bright star. As a fast-growing, market-driven economy, we believe India is poised to take a leading role on the world's stage. The outlook for this product is progressive. Though it is a part of the Transport Sector in general, the Express Cargo Industry, in a short span of time, has been able to carve a separate

status and identity for itself. With the steady growth in all the sectors including the Manufacturing and the Retail Trade, the Express cargo industry is poised for healthy growth. The improvement in the road infrastructure is becoming evident and a larger segment of corporates have started preferring express deliveries made in time.

The net margins in this business are much higher as compared to those in the conventional freight transport business as the customer is prepared to pay a higher price for professional handling of cargo and door-to-door delivery, and “**Just in Time**” delivery of cargo. The success of this division is important for the Company to ensure a profitable bottom line and growth in market share.

Risk & concerns:

Extremely high competition. non implementation of GST remain major challenges. The industry is facing significant challenges like increase in manpower cost, shortage of skilled manpower. Any major economic downturn due to international factors poses a major risk.

(C) POBC AND PATEL AIRFREIGHT

These divisions of the Company carries on the business of courier and air cargo consolidation in the domestic market as well as in International market. These divisions are IATA approved divisions and undertakes efficient and cost-effective courier and air cargo consolidation with network of branches across all over the country.

Industry overview:

The Air Cargo industry presents a wide variety of service providers coming together to move goods both domestically and internationally with a single minded purpose of faster and efficient delivery. From the point of view of Airline industry, Air Cargo Services contribute near about 20% of their revenue. India’s international Air Trade to GDP ratio has doubled from 4% to 8% in the last twenty years.

The demand for air cargo transportation has increased significantly over the last few years, because product life cycles have shortened and demand for rapid delivery has increased. Changing business models such as Just- in-Time Manufacturing and Global out sourcing models have contributed to the rapid growth of air cargo logistics business. In such a changing business environment, where speed-to- market is a competitive imperative, movement of inventory is no longer viewed as a compartmentalized process. Rather, the sourcing of inputs, parts and components and the delivery of final product are all viewed as a continuous value-adding chain.

Air cargo represents about 10% of the airline industry’s revenues. As 35% of the value of goods traded internationally is transported by air, air cargo is a barometer of global economic health . When economic activity is buoyant, demand for transport and logistics services is equally strong. Consumer and business demand for goods and services inevitably translates into higher demand for transport and logistics services.

Opportunities & threats:

Indian Economy is on the higher trajectory of growth. Forecasts suggest that the growth prospects are likely to continue in the coming years. That means, requirements for augmentation of infrastructure facilities in the logistics space to cater to the growing needs of the trade and industry will be immense.

Cargo shipped by air have high values per unit or are very time-sensitive, such as documents, pharmaceuticals, fashion garments, production samples, electronics consumer goods, and perishable agricultural and seafood products. Therefore the demand for air freight is very high. As the volume of air freight grows, there is a natural progression from passenger aircraft to chartered cargo planes of increasing size and ultimately to scheduled cargo services. These all will help in better prospects for our cargo consolidation business.

Globalization of business transactions, shift to just in time manufacturing and inventory control methods and, growing requirement of industries of all types to ship products quickly by air to distant customers are the key driving forces in the development of air cargo Industry.

The development of e-commerce business in India will also brought many opportunities in India and global market. This places huge business opportunities within our sector to innovate and satisfy customer demands.

The aviation logistics in the country today is confronted with multitude of issues like inordinate dwell times, missing and non-traceable cargo, damaged cargo, lengthy cargo processing times and queues at the cargo terminals, etc. Air cargo infrastructure in India is seldom planned for medium and long term requirements and thus is woefully inadequate and overloaded. It is widely acknowledged that the existing processes at the airports for cargo act as a stumbling block for growth of this industry.

Procedures mandated by multiple agencies stifle innovation and growth besides causing inefficiency in the system. Procedures have not been aligned with the changes in the processes brought out by the technological progress and international best practices.

Lack of enabling infrastructure, lack of automated material handling systems, high manual intervention in the processes and inadequate skilled man power are some of the key areas where Indian air cargo industry lags behind.

Outlook:

As per IATA forecast India has emerged as the second fastest growing air cargo market after the Middle East and is expected to grow at a compound annual rate of about seven per cent over the next five years. India would also be among the ten largest international freight markets by 2018. The outlook of air cargo industry looks very bright as the air cargo remained vital to the development of global economic system. Air Cargo growth rates in general are seen to be highly susceptible to the fluctuations in the GDP growth rates of India more so in the international Cargo segment. In fact the slowdown in cargo seems to be preceding the slowdown of the economic growth in many cases. That is why air cargo sector is known to be the barometer of the economic health of a country.

Risk & concerns:

The air cargo industry certainly cannot afford to be complacent as the volatility of fuel prices and competition from rail and sea could affect air cargo industry.

There is an acute shortage of trained manpower in the air cargo sector. Air cargo logistics operations require skilled manpower, proficient with the knowledge of customs procedures and IT systems. Currently, most employees learn on the job itself. This has resulted in unsustainable situation, where it takes much longer time for any new employee to become productive.

Human Resource Management:

The "House of Patels" is mainly a service provider in the arena of Logistics. In this field there are several players, and the fact that we have completed half a century and are one of the acknowledged leaders in this field is mainly due to the quality of service that we provide to our esteemed clients.

The Indian Logistics sector has been growing at faster pace than the global industry in the past decade. However, there is an acute shortfall of personnel with adequate training and education in logistical management in India. The management and mid-tier levels are provided with training on leadership skills, jointed skills and positions and being process-driven.

Sourcing the right candidates, engagement, development and retention of intellectual capital is a vital management exercise. Our human capita constitutes a judicious mix of youth, imagination, risk-taking ability and seasoned experience.

The management firmly believes that the 'people' are the driving force behind the growth of every organization and continues to focus on people development. As a service-based sector, logistics services can only be as efficient as the efficiency of its lowest rung employee. Skill based training is imparted to the entry level or the 'Blue Collared' employee. The Company has always held the view that recognizing and rewarding excellence is essential for having a totally committed, dedicated and "charged" work force.

From the bottom to the top, a change in the efficiencies of personnel will spur the growth of the company, and allow business to scale greater heights.

The Company continues to enjoy peaceful and harmonious relations with all its employees through several proactive measures during the year. The Company employed 901 people as on 31st March 2015.

Internal Control System:

The Company has a satisfactory Internal Control System, the adequacy of which has been reported by the Auditors in their Report as required by the Companies (Auditor's Report) Order, 2015.

The Company is committed to further improve Internal Controls and strengthen the Internal Audit function. Further stress on Corporate Governance is being given in the current year. We firmly believe that the business can grow and develop on the required lines and profitability can be sustained only through Strong and Transparent Corporate Governance.

Financial performance and segment-wise performance:

The discussion on the financial performance of the Company is covered in the Directors' Report. The segment-wise performance is available in note 34 of the notes forming part of the Accounts for the year under consideration.

Cautionary Statement:

Statements in the Management Discussion and Analysis Report describing Projections, Estimates, Expectations, Future Outlook etc. in connection with the business may be 'forward looking statements' within the meaning of applicable securities laws and regulations. However, the actual results could materially differ from those expressed or implied in the statements made by the Management. Various factors which are outside the purview of the Management Control can cause these deviations. These factors include economic developments in the country, changes in governmental policies and fiscal laws, sudden and unexpected rise in input costs, change in the demand supply pattern in the industry, etc.

INDEPENDENT AUDITOR'S REPORT

To,

**The Members of
Patel Integrated Logistics Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Patel Integrated Logistics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, Profit and Loss Statement and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statement gives the information required by the Act, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of section 164(2) of the Act; and
 - f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company does not have any long term contracts including derivative contracts, as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M S P & CO.

Chartered Accountants
(FRN. 107565W)

M. S. PARIKH

(Partner)
(M No. 08684)

Place: Mumbai,

Date: 28th May, 2015

Annexure to Independent Auditor's Report

The Annexure referred to in paragraph 1 of our Report of even date to the members of Patel Integrated Logistics Limited on the accounts of the company for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
(b) We have been informed that the physical verification of fixed assets is done in a phased manner to cover all the fixed assets in the span of 3 years which, in our opinion, is reasonable having regards to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
- (ii) In view of there being no requirement to carry and hold any stock of inventories, therefore, the provision of clause (ii) of paragraph 3 of the said Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the Act, therefore, the provision of clause (iii) (a) and (b) of paragraph 3 of the said Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. We have not observed any major weakness in the internal control system during the course of audit.
- (v) The Company has complied with the provision of sections 73 to 76 of the Act, and the Companies (Acceptance of Deposits) Amendment Rules, 2015 with regards to the deposits accepted from the public. According to the information and explanation given to us, no order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of any of the activities of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at March 31, 2015 for the period more than Six months from the date they become payable.
(b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Value Added Tax, Cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provision of the Companies Act, 1956 and the rules there under has been transferred to such fund within time.
- (viii) The Company has no accumulated loss as at 31st March, 2015 and has not incurred cash losses in the financial year covered under audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks, financial institutions and debenture holders during the year.

- (x) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which the same were obtained.
- (xii) In our opinion and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company nor have we been informed of any such case by the management.

For M S P & CO.
Chartered Accountants
(FRN. 107565W)

M. S. PARIKH
(Partner)
(M No. 08684)

Place: Mumbai,
Date: 28th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

| | Note | Rupees | As At 31.03.2015 Rupees | As At 31.03.2014 Rupees |
|----------------------------------|--------|---------------------|-------------------------------|--|
| EQUITY AND LIABILITIES | | | | |
| Shareholders' Funds | | | | |
| Share Capital | 2 | 15,18,66,120 | | 15,18,66,120 |
| Reserves and Surplus | 3 | <u>75,34,36,342</u> | 90,53,02,462 | <u>74,72,56,680</u> 89,91,22,800 |
| Non - Current Liabilities | | | | |
| Long Term Borrowings | 4 | 10,37,05,679 | | 10,34,04,834 |
| Deferred Tax Liability (Net) | 5 | 2,62,22,051 | | 4,62,31,649 |
| Other Long Term Liabilities | 6 | <u>5,68,12,737</u> | 18,67,40,467 | <u>7,36,13,773</u> 22,32,50,256 |
| Current Liabilities | | | | |
| Short Term Borrowings | 7 | 31,92,38,487 | | 29,54,10,764 |
| Trade Payables | 8 | 20,46,39,634 | | 22,51,42,890 |
| Other Current Liabilities | 9 | 14,03,95,306 | | 17,13,40,646 |
| Short Term Provisions | 10 | <u>11,00,43,190</u> | 77,43,16,617 | <u>10,36,17,548</u> 79,55,11,848 |
| TOTAL | | | <u>1,86,63,59,546</u> | <u>1,91,78,84,904</u> |
| ASSETS | | | | |
| Non - Current Assets | | | | |
| Fixed Assets - | | | | |
| Tangible Assets | 11 | 42,09,30,565 | | 48,00,04,046 |
| Intangible Assets | 11 | 13,28,057 | | 17,78,376 |
| Capital Work-in-Progress | 11 | <u>43,91,588</u> | 42,66,50,210 | <u>39,91,588</u> 48,57,74,010 |
| Non - Current Investment | 12 | 1,71,96,596 | | 1,71,96,596 |
| Long Term Loans and Advances | 13 | <u>6,23,75,579</u> | 7,95,72,175 | <u>7,82,38,703</u> 9,54,35,299 |
| Current Assets | | | | |
| Trade Receivable | 14 | 89,48,57,668 | | 86,49,76,604 |
| Cash and Cash Equivalents | 15 | 15,97,68,189 | | 16,61,53,676 |
| Short Term Loans and Advances | 16 | 30,04,05,611 | | 30,00,44,496 |
| Other Current Assets | 17 | <u>51,05,693</u> | 1,36,01,37,161 | <u>55,00,819</u> 1,33,66,75,595 |
| TOTAL | | | <u>1,86,63,59,546</u> | <u>1,91,78,84,904</u> |
| Significant Accounting Policies | 1 | | | |
| Notes on Financial Statements | 2 - 38 | | | |

As per our report of even date

For M S P & Co.
Chartered Accountants
(Registration No. 107565W)

M. S. PARIKH
Partner
Membership No. 08684

Mumbai,
Dated : 28th May, 2015

For and on behalf of the Board,

AREEF A. PATEL
Executive Vice Chairman

NITIN B. AKOLKAR
Company Secretary

P. S. G. NAIR
Director

DEEPAK M. KENI
VP - Finance & Accounts

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| | Note | For the Year 2014-15 Rupees | For the Year 2013-14 Rupees |
|--|--------|-----------------------------------|-----------------------------------|
| INCOME | | | |
| Revenue from Operations | 18 | 5,87,98,07,110 | 5,43,14,80,451 |
| Other Income | 19 | 1,67,75,865 | 86,68,463 |
| Total Revenue | | 5,89,65,82,975 | 5,44,01,48,914 |
| EXPENSES | | | |
| Operating Cost | 20 | 5,19,46,74,300 | 4,79,56,04,376 |
| Employee Benefits Expense | 21 | 26,45,79,970 | 26,21,78,223 |
| Finance Costs | 22 | 9,10,98,465 | 9,15,17,116 |
| Depreciation and Amortisation Expense | 11 | 4,51,34,183 | 4,48,96,695 |
| Other Expenses | 23 | 22,11,73,229 | 21,50,64,123 |
| Total Expenses | | 5,81,66,60,147 | 5,40,92,60,533 |
| Profit Before Tax | | 7,99,22,828 | 3,08,88,381 |
| Tax Expense | | | |
| Current Tax | | 2,42,00,000 | 97,00,000 |
| Deferred Tax | | (41,32,202) | (23,01,427) |
| (Excess) / Short Provision of Income Tax for earlier years | | (44,210) | - |
| Profit for the year | | 5,98,99,240 | 2,34,89,808 |
| Earning per Equity Share of face value of ₹ 10/- each | | | |
| Basic and Diluted (in ₹) | 24 | 3.94 | 1.55 |
| Significant Accounting Policies | 1 | | |
| Notes on Financial Statements | 2 - 38 | | |

As per our report of even date
For M S P & Co.
 Chartered Accountants
 (Registration No. 107565W)

M. S. PARIKH
 Partner
 Membership No. 08684

Mumbai,
 Dated : 28th May, 2015

For and on behalf of the Board,

AREEF A. PATEL
 Executive Vice Chairman

NITIN B. AKOLKAR
 Company Secretary

P. S. G. NAIR
 Director

DEEPAK M. KENI
 VP - Finance & Accounts

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| | Year Ended 31.03.2015 Rupees | Year Ended 31.03.2014 Rupees |
|---|------------------------------------|------------------------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit Before Tax as per Profit and Loss Account | 7,99,22,828 | 3,08,88,381 |
| Adjusted For : | | |
| Profit / Loss on Sale / Discard of Assets (Net) | (69,52,130) | 72,878 |
| Depreciation | 4,51,34,183 | 4,48,96,695 |
| Dividend Income | (4,63,132) | (4,79,058) |
| Interest Income | (59,32,585) | (59,65,962) |
| Finance Cost | 9,10,98,465 | 9,15,17,116 |
| | <u>12,28,84,801</u> | <u>13,00,41,669</u> |
| Operating Profit Before Working Capital Changes | <u>20,28,07,629</u> | <u>16,09,30,050</u> |
| Adjusted For : | | |
| Trade and Other Receivables | (1,37,08,011) | 3,76,46,653 |
| Trade and Other Payables | <u>(6,70,69,569)</u> | <u>(1,17,58,817)</u> |
| | <u>(8,07,77,580)</u> | <u>2,58,87,836</u> |
| Cash Generated from Operations | <u>12,20,30,049</u> | <u>18,68,17,886</u> |
| Taxes Received (Paid) (Net) | <u>(3,10,98,341)</u> | <u>(2,80,73,268)</u> |
| | <u>(3,10,98,341)</u> | <u>(2,80,73,268)</u> |
| Net Cash from Operating Activities | <u>9,09,31,708</u> | <u>15,87,44,618</u> |
| B: CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase of Fixed Assets | (3,79,38,183) | (3,18,23,621) |
| Sale of Fixed Assets | 1,03,43,588 | 1,38,69,400 |
| Movement in Fixed Deposits (Net) | 95,76,785 | (3,36,70,654) |
| Increase in Capital Work in Progress | (4,00,000) | (1,00,000) |
| Interest Received | 63,27,711 | 38,61,020 |
| Dividend Received | 4,63,132 | 4,79,058 |
| Net Cash (used in) Investing Activities | <u>(1,16,26,967)</u> | <u>(4,73,84,797)</u> |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| | Year Ended 31.03.2015 Rupees | Year Ended 31.03.2014 Rupees |
|---|------------------------------------|------------------------------------|
| C: CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Proceeds from Public Deposits (Net) | 36,70,000 | 1,32,62,000 |
| Proceeds from Long Term Borrowings (Net) | (52,67,252) | (3,50,28,978) |
| Proceeds from Short Term Borrowings (Net) | 2,38,27,723 | (2,96,60,456) |
| Interest Paid | (8,94,60,117) | (9,09,72,814) |
| Dividend Paid | (88,83,796) | (88,83,796) |
| Net Cash (used in) / from Financing Activities | <u>(7,61,13,442)</u> | <u>(15,12,84,044)</u> |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 31,91,299 | (3,99,24,223) |
| Opening Balance of Cash and Cash Equivalents | 10,11,94,481 | 14,11,18,704 |
| Closing Balance of Cash and Cash Equivalents | <u>10,43,85,780</u> | <u>10,11,94,481</u> |

Note : Previous year's figures have been restated/recasted, wherever necessary, to confirm to this year's classification

As per our report of even date
For M S P & Co.
 Chartered Accountants
 (Registration No. 107565W)

M. S. PARIKH
 Partner
 Membership No. 08684

Mumbai,
 Dated : 28th May, 2015

For and on behalf of the Board,

AREEF A. PATEL
 Executive Vice Chairman

NITIN B. AKOLKAR
 Company Secretary

P. S. G. NAIR
 Director

DEEPAK M. KENI
 VP - Finance & Accounts

Notes on Financial Statements for the Year Ended 31st March, 2015

1. Significant Accounting Policies

a. Basis for preparation of Financial Statements:

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumption that affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumption used in the financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements.

b. Fixed Assets and Depreciation:

i. All fixed assets are stated at cost of acquisition which includes amounts added on revaluation, less accumulated depreciation and impairment losses.

ii. Assets acquired on financial lease on or after April 1, 2001 are capitalised at their fair values.

iii. Depreciation / Amortisation

Depreciation on all assets, including those revalued, and those valued at market price is provided under straight line method at the rates and in the manner prescribed under Part-C of Schedule II of the Companies Act, 2013 (the "Act"). Additional depreciation on account of revised method of calculation of depreciation amounting to ₹ 3,30,58,946/- (net off deferred tax of ₹ 1,58,77,396/-) is adjusted against retained earnings as at 1st April, 2014.

iv. Depreciation on additions to assets or sale or disposal of assets is calculated on a pro-rata basis from / to the date of addition / deduction.

v. Computer Softwares are amortised over a period of three years, being the economic useful life as estimated by the management.

vi. Cost of leasehold land is amortised over the residual period of the lease.

vii. Assets taken on financial lease are depreciated over their useful life.

c. Impairment of Assets:

Impairment loss if applicable is provided to the extent the carrying amount of assets exceeds their recoverable amount and the same is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

d. Investments:

i. Non – Current Investments are stated at cost as they are made with long-term perspective. Provision for diminution, if any, in value of investments is made to recognize a decline other than temporary in the value of the investment and valuation is done on global basis.

ii. Membership shares of a Co-operative Housing Society related to office premise are included under Non - Current Investments.

iii. Profit / Loss on sale of Non – Current Investments is computed on FIFO basis.

e. Policy For Revenue Recognition:

i. Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned / incurred, except those with significant uncertainties.

ii. Amounts recovered towards demurrage and delivery charges are accounted at the time when they are ultimately realised. Freight includes recoverable on undelivered consignments as certified by the management and recoveries for other allied services.

Notes on Financial Statements for the Year Ended 31st March, 2015

- iii. Income on account of Co-Loading and Cargo division is recognized on booking of courier & cargo load.
 - iv. Cargo Freight charges has been accounted on gross basis and commission received if any, against the same has been accounted as revenue from operation under the head commission.
 - v. Dividend income from investment is recognised as and when received.
 - vi. Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.
 - vii. Claims made against the Company are evaluated as to type thereof, period for which they are outstanding and appropriate provision made. Claims are stated net of recoveries from Insurance Companies and others.
 - viii. Administrative and other expenses are stated net of recoveries wherever applicable.
- f. Retirement Benefits (Staff Benefits):
- i. The Company has taken a policy with Life Insurance Corporation of India under the Group Gratuity Scheme to cover gratuity liability to the extent of ₹ 10,00,000/- per employee and the premium is accrued on yearly basis. Additional liability if any, in excess of ₹ 10,00,000/- per employee is provided for on payment basis in respect of gratuity entitlement.
 - ii. Leave encashment is accounted on the basis of actuarial valuation as at the close of the financial year.
- g. Foreign Currency Transactions:
- i. Current Assets / Liabilities denominated in foreign currency are restated at the rates prevailing at the year end or at the rates at which forward cover has been booked, whichever is applicable.
 - ii. Difference, if any, on settlement / restatement is taken to Profit and Loss Account.
- h. Taxes on Income:
- i. Current tax is determined as the amount of tax payable in respect of taxable income for the year.
 - ii. Deferred tax liabilities and assets are recognised at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets are recognised and carried forward only to the extent there is a reasonable certainty that sufficient future taxable income will be available against such deferred tax can be realised.
- i. Provision and contingencies:
- A provision is recognized when the company has legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the company has possible or present obligation where it is not certain that an outflow of resources will be required to settle it.

Notes on Financial Statements for the Year Ended 31st March, 2015

| 2 SHARE CAPITAL | As at | As at |
|---|---------------------|---------------------|
| | 31.03.2015 | 31.03.2014 |
| | Rupees | Rupees |
| Authorised Share Capital | | |
| 2,00,00,000 Equity Share of ₹ 10/- each (2,00,00,000) | 20,00,00,000 | 20,00,00,000 |
| | 20,00,00,000 | 20,00,00,000 |
| Issued, Subscribed and Paid Up : | | |
| 1,51,86,612 Equity Shares of ₹ 10/- each paid up value (1,51,86,612) | 15,18,66,120 | 15,18,66,120 |
| TOTAL | 15,18,66,120 | 15,18,66,120 |

2.1 The reconciliation of the number of shares outstanding is set out below :

| Particulars | As At | As At |
|--|--------------------|--------------------|
| | 31.03.2015 | 31.03.2014 |
| | No. of Shares | No. of Shares |
| Equity Shares at the beginning of the year fully paid up | 1,51,86,612 | 1,51,86,612 |
| Equity Shares issued during the year | - | - |
| Equity Shares at the end of the year | 1,51,86,612 | 1,51,86,612 |

2.2 Rights, preferences and restrictions attached to the equity shares :

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

2.3 The details of Shareholders holding more than 5 % shares :

| Name of the Shareholders | As At 31.03.2015 | | As At 31.03.2014 | |
|--------------------------|------------------|--------|------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Patel Holdings Limited | 30,25,667 | 19.92 | 30,25,667 | 19.92 |
| A. S. Patel Trust | 13,71,500 | 9.03 | 13,71,500 | 9.03 |
| Mr. Asgar S. Patel | 10,65,879 | 7.02 | 10,65,879 | 7.02 |
| Mr. Areef A. Patel | 9,27,884 | 6.11 | 9,27,884 | 6.11 |

Notes on Financial Statements for the Year Ended 31st March, 2015

| | Rupees | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|---|--------------------|-------------------------------|-------------------------------|
| 3 RESERVES AND SURPLUS | | | |
| Capital Reserve | | 1,27,33,553 | 1,27,33,553 |
| Capital Redemption Reserve | | 18,60,000 | 18,60,000 |
| Securities Premium Reserve | | 24,65,75,337 | 24,65,75,337 |
| General Reserve | | | |
| As per last Balance Sheet | 40,78,23,518 | | 38,78,23,518 |
| Add : Transferred from Profit and Loss Account | <u>2,00,00,000</u> | | <u>2,00,00,000</u> |
| | | 42,78,23,518 | 40,78,23,518 |
| Other Reserve | | | |
| Contingency Reserve | | | |
| (To meet contingencies) | | | |
| As per last Balance Sheet | 3,03,98,374 | | 3,00,00,000 |
| Add : Transferred from Profit and Loss Account | <u>1,20,00,000</u> | | <u>95,00,000</u> |
| | 4,23,98,374 | | 3,95,00,000 |
| Less : Transfer to Profit and Loss Account | <u>1,15,21,507</u> | | <u>91,01,626</u> |
| | | 3,08,76,867 | 3,03,98,374 |
| Profit and Loss Account | | | |
| As per last Balance Sheet | 4,78,65,898 | | 6,27,59,886 |
| Add : Profit for the year | <u>5,98,99,240</u> | | <u>2,34,89,808</u> |
| | 10,77,65,138 | | 8,62,49,694 |
| Less : Appropriations | | | |
| Transferred to General Reserve | 2,00,00,000 | | 2,00,00,000 |
| Transferred to Contingency Reserve | 1,20,00,000 | | 95,00,000 |
| Proposed Dividend on Equity Shares | 75,93,306 | | 75,93,306 |
| [Dividend per share ₹ 0.50/- (Previous Year ₹ 0.50/-)] | | | |
| Tax on Dividend | 15,45,819 | | 12,90,490 |
| Additional Depreciation on Fixed Assets (Net of Deffered Tax Assets)* | <u>3,30,58,946</u> | | <u>-</u> |
| | | 3,35,67,067 | 4,78,65,898 |
| TOTAL | | <u>75,34,36,342</u> | <u>74,72,56,680</u> |

* Additional Depreciation on Fixed Assets (Net of Deffered Tax Assets thereon) as per Part-C of Schedule II of Companies Act 2013.

Notes on Financial Statements for the Year Ended 31st March, 2015

| 4 LONG TERM BORROWINGS | As At 31.03.2015 | | As At 31.03.2014 | |
|------------------------------|---------------------|--------------------|---------------------|--------------------|
| | Non Current Rupees | Current Rupees | Non Current Rupees | Current Rupees |
| Secured | | | | |
| Term Loan | 74,84,969 | 6,87,530 | 81,72,498 | 5,98,195 |
| Deferred Payment Liabilities | 1,32,04,931 | 1,01,43,034 | 80,42,336 | 2,37,42,880 |
| | 2,06,89,900 | 1,08,30,564 | 1,62,14,834 | 2,43,41,075 |
| Unsecured | | | | |
| Term Loan | 21,48,779 | 16,19,414 | - | - |
| Deposit accepted from public | 8,08,67,000 | 4,25,95,000 | 8,71,90,000 | 3,26,02,000 |
| | 8,30,15,779 | 4,42,14,414 | 8,71,90,000 | 3,26,02,000 |
| TOTAL | 10,37,05,679 | 5,50,44,978 | 10,34,04,834 | 5,69,43,075 |

4.1 Deferred payment liabilities referred above are secured by way of mortgage of trucks and motor cars.

4.2 Term loan liability referred above is secured by office building.

4.3 Maturity Profile of Term Loan is as set out below :

| 5 DEFERRED TAX LIABILITY (NET) | 1-2 Years | 2-3 Years | 3-4 Years | Beyond 4 Years |
|--|-------------------|-----------|--------------------------------|--------------------------------|
| | Secured Term loan | 7,90,208 | 9,08,219 | 10,43,854 |
| Unsecured Term loan | 19,66,944 | 1,81,835 | - | - |
| | | | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
| Deferred Tax Liability Related to Fixed Assets | | | 2,74,13,535 | 4,83,96,449 |
| Deferred Tax Assets Disallowances under the Income Tax Act, 1961 | | | 11,91,484 | 21,64,800 |
| TOTAL | | | 2,62,22,051 | 4,62,31,649 |
| | | | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
| 6 OTHER LONG TERM LIABILITIES | | | | |
| Deposits* | | | 2,41,03,391 | 2,46,51,991 |
| Liabilities for claims | | | 3,27,09,346 | 4,89,61,782 |
| TOTAL | | | 5,68,12,737 | 7,36,13,773 |

* Deposits includes deposits from Transporters, Customers, Franchisees and Godown owners.

| 7 SHORT TERM BORROWINGS | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|--|--|-------------------------|
| | Secured - Loans repayable on demand | |
| Working Capital Loans From Banks | 28,73,55,084 | 28,30,36,698 |
| Unsecured | | |
| Working Capital Loans From Banks and Others | 1,64,83,403 | 1,23,74,066 |
| Loans and advances from Related Parties (Including interest thereon ₹ Nil) | 1,54,00,000 | - |
| TOTAL | 31,92,38,487 | 29,54,10,764 |

Notes on Financial Statements for the Year Ended 31st March, 2015

7.1 Working Capital Loans From Banks :

Secured by :

Pari Passu Hypothecation charges on all the present & future book debts (Less than 90 Days) and movable assets other than those acquired under hire purchase agreement.

Collateral Security -

- Personal Guarantee of Wholetime Director designated as Executive Vice Chairman.
- Equitable Mortgage of certain properties owned situated at Mumbai and Thane.

| 8 TRADE PAYABLES | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|-------------------------|--|--|
| Acceptances | 12,47,00,000 | 12,94,00,000 |
| Others | 7,99,39,634 | 9,57,42,890 |
| TOTAL | <u>20,46,39,634</u> | <u>22,51,42,890</u> |

8.1 The Company has not received any intimation from its Vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure, if any under the said Act has not been made.

| 9 OTHER CURRENT LIABILITIES | Rupees | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|---|--------------------|--|--|
| Current maturities of Public Deposits | | 4,23,57,000 | 3,17,85,000 |
| Current maturities of deferred payment liabilities | | 1,01,43,034 | 2,37,42,880 |
| Current maturities of term loan liabilities | | 23,06,944 | 5,98,195 |
| Interest accrued but not due on public deposits | | 71,18,518 | 55,90,504 |
| Unclaimed Dividend | | 39,44,733 | 40,86,242 |
| Unclaimed matured deposits and interest accrued thereon | | 7,32,290 | 12,00,957 |
| Creditors for Capital Expenditure | | 50,500 | 50,500 |
| Other Payables | | | |
| Staff Advance | 3,85,723 | | 41,432 |
| Statutory Liabilities | 69,93,720 | | 1,62,28,426 |
| Staff Liabilities | 1,89,59,704 | | 2,26,78,465 |
| Sundry Deposits | 52,02,467 | | 63,17,141 |
| Overdrawn balance in current account with bank | 10,04,843 | | 27,60,067 |
| Liabilities for claims | 1,08,07,137 | | 1,05,63,870 |
| Other Payables* | <u>3,03,88,693</u> | | <u>4,56,96,967</u> |
| | | 7,37,42,287 | 10,42,86,368 |
| TOTAL | | <u>14,03,95,306</u> | <u>17,13,40,646</u> |

* Includes Agency payables, etc.

| 10 SHORT TERM PROVISIONS | | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|---------------------------------|--|--|--|
| Provisions for Leave Encashment | | 1,62,79,065 | 1,53,58,752 |
| Proposed Dividend | | 75,93,306 | 75,93,306 |
| Tax on Dividend | | 15,45,819 | 12,90,490 |
| Provision for Wealth Tax | | 3,25,000 | 2,75,000 |
| Provision for Income Tax | | 8,43,00,000 | 7,91,00,000 |
| TOTAL | | <u>11,00,43,190</u> | <u>10,36,17,548</u> |

Notes on Financial Statements for the Year Ended 31st March, 2015

11 FIXED ASSETS

| Description | Gross Block | | | Depreciation / Amortisation | | | | Net Block | | |
|---------------------------------|---------------------|------------------------|--------------------------|-----------------------------|---------------------|--------------------|--------------------|--------------------------|---------------------|---------------------|
| | As at 01.04.2014 | Additions / Adjustment | Deductions / Adjustments | As at 31.03.2015 | As at 01.04.2014 | Prior Period | For the Year | Deductions / Adjustments | As at 31.03.2015 | As at 31.03.2014 |
| Tangible Assets : | | | | | | | | | | |
| Own Assets : | | | | | | | | | | |
| Freehold Land | 16,03,30,540 | - | 5,458 | 16,03,25,082 | - | - | - | - | 16,03,25,082 | 16,03,30,540 |
| Leasehold Land | 92,050 | - | - | 92,050 | 28,059 | - | 956 | - | 29,015 | 63,991 |
| Buildings | 12,89,01,350 | - | 53,194 | 12,88,48,156 | 2,58,18,751 | 6,48,353 | 22,42,655 | 30,571 | 2,86,79,188 | 10,01,68,968 |
| Furniture and Fixtures | 11,97,02,590 | 75,22,084 | - | 12,72,24,674 | 4,70,40,794 | 1,52,76,252 | 91,10,347 | - | 7,14,27,393 | 5,57,97,281 |
| Computers | 16,24,56,376 | 32,37,197 | - | 16,56,93,573 | 13,33,86,323 | 1,22,78,524 | 95,98,358 | - | 15,52,63,205 | 1,04,30,368 |
| Office Equipment | 5,41,56,204 | 88,94,342 | 4,46,816 | 6,26,03,730 | 2,72,35,423 | 1,57,71,987 | 40,13,655 | 4,26,876 | 4,65,94,189 | 1,60,09,541 |
| Plant and Machinery | 85,09,707 | 2,71,932 | - | 87,81,639 | 55,31,516 | 7,95,916 | 2,32,412 | - | 65,59,844 | 22,21,795 |
| Trucks | 5,26,81,416 | - | 1,14,13,596 | 4,12,67,820 | 3,03,53,759 | 6,94,864 | 73,21,533 | 88,88,662 | 2,94,81,494 | 1,17,86,326 |
| Vehicles | 2,96,05,027 | - | 20,35,245 | 2,75,69,782 | 1,64,76,199 | 27,55,290 | 16,38,602 | 11,96,018 | 1,96,74,073 | 78,95,709 |
| Sub - Total | 71,64,35,260 | 1,99,25,555 | 1,39,54,309 | 72,24,06,506 | 28,58,70,824 | 4,82,21,186 | 3,41,58,518 | 1,05,42,127 | 35,77,08,401 | 43,05,64,436 |
| Leased Assets : | | | | | | | | | | |
| Buildings | 1,34,70,000 | - | - | 1,34,70,000 | 3,94,608 | 9,684 | 2,24,949 | - | 6,29,241 | 1,28,40,759 |
| Trucks | 4,04,76,917 | 1,67,11,475 | - | 5,71,88,392 | 1,26,68,421 | 3,64,521 | 74,14,606 | - | 2,04,47,548 | 3,67,40,844 |
| Vehicles | 1,00,15,740 | 4,48,509 | - | 1,04,64,249 | 14,60,018 | 3,40,546 | 20,33,552 | 20,724 | 38,13,392 | 66,50,857 |
| Sub - Total | 6,39,62,657 | 1,71,59,984 | - | 8,11,22,641 | 1,45,23,047 | 7,14,751 | 96,73,107 | 20,724 | 2,48,90,181 | 5,62,32,460 |
| Total (A) | 78,03,97,917 | 3,70,85,539 | 1,39,54,309 | 80,35,29,147 | 30,03,93,871 | 4,89,35,937 | 4,38,31,625 | 1,05,62,851 | 38,25,98,582 | 42,09,30,565 |
| Intangible Assets : | | | | | | | | | | |
| Computer Software | 2,20,11,176 | 8,52,644 | - | 2,28,63,820 | 2,02,32,800 | 405 | 13,02,558 | - | 2,15,35,763 | 13,28,057 |
| Total (B) | 2,20,11,176 | 8,52,644 | - | 2,28,63,820 | 2,02,32,800 | 405 | 13,02,558 | - | 2,15,35,763 | 13,28,057 |
| Total (A+B) | 80,24,09,093 | 3,79,38,183 | 1,39,54,309 | 82,63,92,967 | 32,06,26,671 | 4,89,36,342 | 4,51,34,183 | 1,05,62,851 | 40,41,34,345 | 42,22,58,622 |
| Previous Year | 81,24,05,876 | 3,18,23,621 | 4,18,20,404 | 80,24,09,093 | 30,36,08,101 | - | 4,48,96,695 | 2,78,78,125 | 32,06,26,671 | 48,17,82,422 |
| Capital Work-in-Progress | | | | | | | | | | 39,91,588 |

Notes on Financial Statements for the Year Ended 31st March, 2015

11.1 Building includes ₹ 250/- in respect of shares held in the Society.

11.2 In respect of fixed assets acquired on finance lease on or after 1st April, 2001, the minimum lease rental outstanding as on 31st Mar, 2015 are as follows:

(Amt in ₹)

| Particulars | Total minimum lease payments outstanding As at 31st, March | | Future interest on outstanding lease payments | | Present value of minimum lease payments As at 31st, March | |
|---|--|--------------------|---|------------------|---|--------------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Within one year | 1,19,02,119 | 2,58,43,305 | 17,59,085 | 21,00,425 | 1,01,43,034 | 2,37,42,880 |
| Later than one year and not later than five years | 1,55,31,230 | 84,54,742 | 23,26,299 | 4,12,406 | 1,32,04,931 | 80,42,336 |
| Total | 2,74,33,349 | 3,42,98,047 | 40,85,384 | 25,12,831 | 2,33,47,965 | 3,17,85,216 |

11.3 Buildings worth ₹ 58,77,423/- included in Gross Block are revalued on the basis of the replacement value as at 30.06.1987 and the office premises worth ₹ 2,48,44,368/- included in Gross Block are revalued on the basis of the replacement value as at 31.03.1993. They are stated at revalued figures less accumulated depreciation.

11.4 Land is revalued in previous years on the basis of surveyors valuation report.

11.5 Computer software - Refer note No. 1 (b)(v).

11.6 As per the requirement of the provisions of Schedule II of the Companies Act, 2013 (the "Act"), the Management has decided to adopt the useful lives as suggested in Part C of Schedule II of the Act with effect from 1st April, 2014 for all its fixed assets. In accordance with the transitional provisions to Part C of Schedule II of the Act, the Company has adjusted an amount of ₹ 3,30,58,946/- (net off deferred tax of ₹ 1,58,77,396/-) against retained earnings as at 1st April, 2014.

Notes on Financial Statements for the Year Ended 31st March, 2015

| | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|---|-------------------------------|-------------------------------|
| 12 NON - CURRENT INVESTMENTS (Long Term Investments) | | |
| Investments in Equity Shares | | |
| Trade Quoted | | |
| 1000 Blue Dart Express Ltd. of ₹ 10/- each (1000) fully paid up | 66,000 | 66,000 |
| 20 Gati Ltd. of ₹ 2/- each fully paid up (20) | 1,013 | 1,013 |
| | 67,013 | 67,013 |
| Non Trade Quoted | | |
| 250 Pfizer Ltd. of ₹ 10/- each fully paid up (250) | 2,26,721 | 2,26,721 |
| 25500 Hindustan Petroleum Corporation Ltd. of ₹ 10/- (25500) each fully paid up | 1,27,34,683 | 1,27,34,683 |
| 100 All Cargo Logistics Ltd. of ₹ 2/- each (100) fully paid up | 16,993 | 16,993 |
| 20 Transport Corporation of India Ltd. of ₹ 2/- (20) each fully paid up | 1,495 | 1,495 |
| 700 Ganesh Benzo Plast Ltd of ₹ 10/- each fully (700) paid up | 17,850 | 17,850 |
| 50 Ganesh Anhydride Ltd. of ₹ 10/- each fully (50) paid up | 500 | 500 |
| 16200 UTI Mastershares of ₹ 10/- each fully paid up (16200) | 1,96,166 | 1,96,166 |
| 2500 Power Grid Corporation of India Ltd. of ₹ 10/- (2500) each fully paid up | 3,84,775 | 3,84,775 |
| 165000 Wallstreet Finance Ltd. of ₹ 10/- each (165000) fully paid up | 34,10,000 | 34,10,000 |
| 1 TCI Developers Ltd. of ₹ 10/- each (1) fully paid up | - | - |
| | 1,69,89,183 | 1,69,89,183 |
| Non Trade Unquoted | | |
| 5000 Shamrao Vithal Co-op Bank Ltd. of ₹ 25/- each (5000) fully paid up | 1,25,000 | 1,25,000 |
| 50 NKGSB Co-op Bank Ltd of ₹ 10/- each (50) fully paid up | 500 | 500 |
| 910 Shri Ambuja Petrochemicals Ltd of ₹ 10/- each (910) fully paid up | 9,100 | 9,100 |
| 5 The Memon Co-Op. Bank Ltd of ₹ 10/- each (5) fully paid up | 50 | 50 |
| 5 The Natasha Co-Op. Housing Society Ltd. (5) of ₹ 50/- each fully paid up | 250 | 250 |
| | 1,34,900 | 1,34,900 |
| Investments in Preference Shares - Unquoted | | |
| 250 Cumulative Redeemable Preference Shares of (250) Shri Rayalseema Alkalies and Allies Chemicals of ₹ 10/- each fully paid up | 2,500 | 2,500 |
| | 2,500 | 2,500 |

Notes on Financial Statements for the Year Ended 31st March, 2015

| | | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|--|---|-------------------------------|-------------------------------|
| Investments in Debentures - Quoted | | | |
| 14000 | Non Convertible Debenture of Blue Dart Express Ltd. of ₹ 10/- each fully paid up | - | - |
| | | - | - |
| Investments in Debentures - Unquoted | | | |
| 40 | Non Convertible Debenture of Ganesh Benzo Plast Ltd of ₹ 75/- each fully paid up | 3,000 | 3,000 |
| | | 3,000 | 3,000 |
| TOTAL | | 1,71,96,596 | 1,71,96,596 |
| Note | | | |
| Aggregate book value of quoted investments | | 1,70,56,196 | 1,70,56,196 |
| Aggregate market value of quoted investments | | 3,04,93,308 | 1,45,18,295 |
| Aggregate book value of unquoted investments | | 1,40,400 | 1,40,400 |
| | | | |
| | | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
| 13 | LONG - TERM LOANS AND ADVANCES (Unsecured Considered Good) | Rupees | Rupees |
| Property Deposit | | | |
| | Related Party | 1,00,00,000 | 1,00,00,000 |
| | Others | 3,26,27,007 | 3,29,61,713 |
| | Earnest Money Deposit | 7,76,697 | 7,03,197 |
| | Other Deposits | 36,02,875 | 34,47,377 |
| | Other Loans and Advances (Refer Note No. 32) | 1,53,69,000 | 3,11,26,416 |
| TOTAL | | 6,23,75,579 | 7,82,38,703 |
| | | | |
| | | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
| 14 | TRADE RECEIVABLE | | |
| Secured Considered Good | | | |
| | Over Six months | 1,73,04,730 | 1,27,19,130 |
| | Others | 29,95,94,495 | 28,55,48,752 |
| Unsecured Considered Good | | | |
| | Over Six months | 4,16,30,005 | 3,65,26,544 |
| | Others | 53,63,28,438 | 53,01,82,178 |
| TOTAL | | 89,48,57,668 | 86,49,76,604 |

Notes on Financial Statements for the Year Ended 31st March, 2015

| | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|--|-------------------------------|-------------------------------|
| 15 CASH AND BANK BALANCES | | |
| Cash and Cash Equivalents | | |
| Balance with Banks | | |
| In Current Accounts | 7,67,84,533 | 7,28,60,229 |
| In Dividend Account for Unclaimed Dividend | 39,44,732 | 40,83,880 |
| Cash on Hand | 1,26,00,088 | 1,37,39,851 |
| Cheque in transit | 1,10,56,427 | 1,05,10,522 |
| Other Bank Balances | | |
| In Fixed Deposits | 12,87,508 | 2,66,88,069 |
| In Fixed Deposits (as margin money against bank guarantees, LC's and Others) | 4,42,94,901 | 3,08,46,514 |
| In Fixed Deposits (as earmarked against public deposits) | 98,00,000 | 74,24,611 |
| TOTAL | <u>15,97,68,189</u> | <u>16,61,53,676</u> |

Fixed deposits with bank includes deposits of ₹ 10,50,686/- (Previous Year ₹ 51,34,334/-) with maturity of more than 12 months

| | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|---|-------------------------------|-------------------------------|
| 16 SHORT - TERM LOANS AND ADVANCES | | |
| (Unsecured and Considered Good) | | |
| Prepaid Expenses | 57,02,741 | 78,51,028 |
| Staff Advances | 27,84,700 | 49,81,039 |
| Advance Income Tax | 21,79,23,958 | 20,57,31,407 |
| Others* | 7,39,94,212 | 8,14,81,022 |
| TOTAL | <u>30,04,05,611</u> | <u>30,00,44,496</u> |

* includes interest receivable, cenvat receivable, claim receivable, agent receivable and octroi advance.

| | As at 31.03.2015 Rupees | As at 31.03.2014 Rupees |
|-----------------------------------|-------------------------------|-------------------------------|
| 17 OTHER CURRENT ASSETS | | |
| Interest accrued on bank deposits | 51,05,693 | 55,00,819 |
| TOTAL | <u>51,05,693</u> | <u>55,00,819</u> |

Notes on Financial Statements for the Year Ended 31st March, 2015

| | For the Year 2014-15 Rupees | For the Year 2013-14 Rupees |
|--|-----------------------------------|-----------------------------------|
| 18 REVENUE FROM OPERATIONS | | |
| Sale of Services | | |
| Freight | 1,72,65,37,833 | 1,77,71,11,463 |
| Co Loading and Cargo Income | 3,37,82,18,018 | 3,07,77,93,285 |
| Commission | 77,47,51,259 | 57,65,75,703 |
| Other Operating Income | 3,00,000 | - |
| TOTAL | <u>5,87,98,07,110</u> | <u>5,43,14,80,451</u> |
| 19 OTHER INCOME | | |
| Interest Income | 59,32,585 | 59,65,962 |
| Dividend Income | 4,63,132 | 4,79,058 |
| Other Non Operating Income | 1,03,80,148 | 22,23,443 |
| TOTAL | <u>1,67,75,865</u> | <u>86,68,463</u> |
| 20 OPERATING COST | | |
| Truck Hire Charges | 1,05,03,76,005 | 1,08,26,31,283 |
| Truck Operational Expenses | 12,00,20,673 | 11,64,85,699 |
| Truck Repairs and Maintenance Expenses | 97,75,182 | 1,00,92,708 |
| Diesel, Oil and Grease | 7,60,60,797 | 9,13,99,758 |
| Taxes and Permits | 23,17,090 | 12,80,340 |
| Sundry Airport Expenses | 1,39,75,953 | 1,38,44,808 |
| Line Haul Transportation Expenses | 6,26,26,814 | 5,39,40,854 |
| Cargo Freight Charges | 3,51,06,32,276 | 3,09,85,89,300 |
| Handling Charges | 21,12,66,523 | 18,92,16,389 |
| Packing Materials Expenses | 76,25,988 | 36,25,318 |
| Miscellaneous Operating Expenses | 7,29,08,321 | 8,04,51,388 |
| Insurance | 20,35,400 | 23,20,349 |
| Agency Commission | 4,97,94,585 | 4,72,41,022 |
| Claims for Loss of Goods (net of recoveries) | 52,58,693 | 44,85,160 |
| TOTAL | <u>5,19,46,74,300</u> | <u>4,79,56,04,376</u> |
| 21 EMPLOYEE BENEFITS EXPENSE | | |
| Salaries and Wages | 22,19,18,667 | 22,14,92,482 |
| Contribution to Provident and Other Funds | 2,41,29,681 | 2,45,61,441 |
| Staff Welfare Expenses | 1,85,31,622 | 1,61,24,300 |
| TOTAL | <u>26,45,79,970</u> | <u>26,21,78,223</u> |

Notes on Financial Statements for the Year Ended 31st March, 2015

21.1 Defined obligations - Disclosures as per Accounting Standard 15 (Revised) are as under,

| (A) Reconciliation of changes in present value of obligations | Gratuity | | Leave | |
|--|---------------------|---------------------|---------------------|---------------------|
| | 2014 - 15 Rupees | 2013 - 14 Rupees | 2014 - 15 Rupees | 2013 - 14 Rupees |
| At the beginning of the year | 5,72,33,726 | 5,57,03,424 | 1,53,58,752 | - |
| Current service cost | 50,64,661 | 47,62,921 | 73,60,560 | - |
| Interest Cost | 45,78,698 | 44,56,274 | 12,09,057 | - |
| Actuarial (Gain) / Loss | 63,79,580 | 16,82,230 | (34,05,210) | - |
| Benefits paid | (1,29,42,146) | (93,71,123) | (42,44,094) | - |
| At the closing of the year | 6,03,14,519 | 5,72,33,726 | 1,62,79,065 | - |
| (B) Reconciliation of changes in fair value of plan assets | | | | |
| At the beginning of the year | 3,24,44,470 | 3,43,37,552 | - | - |
| Expected return on plan assets | 77,65,493 | 26,54,393 | - | - |
| Contributions | 44,53,482 | 48,23,648 | 42,44,094 | - |
| Benefits paid | (1,29,42,146) | (93,71,123) | (42,44,094) | - |
| Actuarial (Gain) / Loss | - | - | - | - |
| At the closing of the year | 3,17,21,299 | 3,24,44,470 | - | - |
| (C) Reconciliation of fair value of plan assets | | | | |
| At the beginning of the year | 3,24,44,470 | 3,43,37,552 | - | - |
| Actual return on plan assets | 77,65,493 | 26,54,393 | - | - |
| Contributions | 44,53,482 | 48,23,648 | 42,44,094 | - |
| Benefits paid | (1,29,42,146) | (93,71,123) | (42,44,094) | - |
| At the closing of the year | 3,17,21,299 | 3,24,44,470 | - | - |
| Funded Status | (2,85,93,220) | (2,47,89,256) | (1,62,79,065) | - |
| Excess of actual over estimated return on plan assets | - | - | - | - |
| (Actual rate of return = Estimated rate of return as ARD falls on 31st March) | | | | |
| (D) Actuarial Gain / Loss recognized | | | | |
| Actuarial (gain) / loss on obligations | (63,79,580) | (16,82,230) | (34,05,210) | - |
| Actuarial (gain) / loss for the year - Plan Assets | - | - | - | - |
| Actuarial (gain) / loss on obligations | 63,79,580 | 16,82,230 | - | - |
| Actuarial (gain) / loss recognized in the year | 63,79,580 | 16,82,230 | (34,05,210) | - |
| (E) The amount to be recognized in the Balance Sheet and Statement of Profit and Loss | | | | |
| Present value of obligations as at the end of year | 6,03,14,519 | 5,72,33,726 | 1,62,79,065 | - |
| Fair value of plan assets as at the end of year | 3,17,21,299 | 3,24,44,470 | - | - |
| Funded Status | (2,85,93,220) | (2,47,89,256) | (1,62,79,065) | - |
| Net assets / (liability) recognized in Balance Sheet | (2,85,93,220) | (2,47,89,256) | (1,62,79,065) | - |
| (F) Expenses recognised in statement of Profit and Loss | | | | |
| Current Service Cost | 50,64,661 | 47,62,921 | 73,60,560 | - |
| Interest Cost | 45,78,698 | 44,56,274 | 12,09,057 | - |
| Expected return on plan assets | (77,65,493) | (26,54,393) | - | - |
| Net Actuarial (gain) / loss recognised in the year | 63,79,580 | 16,82,230 | (34,05,210) | - |
| Expenses recognised in Statement of Profit and Loss | 82,57,446 | 82,47,032 | 51,64,407 | - |

Notes on Financial Statements for the Year Ended 31st March, 2015

| 22 FINANCE COSTS | For the Year 2014-15 Rupees | For the Year 2013-14 Rupees |
|---|--|--|
| Interest Expense | 8,47,14,660 | 8,57,43,305 |
| Other Borrowing Costs | 63,83,805 | 57,73,811 |
| TOTAL | <u>9,10,98,465</u> | <u>9,15,17,116</u> |
| 23 OTHER EXPENSES | For the Year 2014-15 Rupees | For the Year 2013-14 Rupees |
| Electricity charges | 1,21,28,429 | 1,16,54,294 |
| Rent | 4,82,85,889 | 4,92,85,638 |
| Repair to buildings | 13,99,053 | 18,84,024 |
| Insurance | 19,88,897 | 19,55,162 |
| Printing and stationery | 1,09,18,803 | 90,38,004 |
| Postage and telegram, internet charges | 64,60,292 | 58,26,941 |
| Conveyance and travelling | 2,17,36,590 | 1,94,28,861 |
| Telephone and telex | 1,27,53,367 | 1,22,32,578 |
| Rate and taxes | 66,06,105 | 30,17,777 |
| Legal and professional fees | 1,37,09,566 | 1,63,40,328 |
| Auditors' remuneration | 12,65,000 | 12,65,000 |
| Advertisement, publicity and business promotion | 68,03,622 | 71,48,174 |
| Directors' sitting fees | 7,70,000 | 3,50,000 |
| Miscellaneous expenses | 7,63,47,616 | 7,55,64,464 |
| Baddebts Written Off | 1,15,21,507 | 91,01,626 |
| Less : Transfer from Contingency Reserve | (1,15,21,507) | (91,01,626) |
| Loss on sale of assets (Net) | - | 72,878 |
| TOTAL | <u>22,11,73,229</u> | <u>21,50,64,123</u> |
| 24 EARNINGS PER SHARE (EPS) | 2014-15 | 2013-14 |
| A) Calculation of Weighted Average Number of Equity Share of ₹ 10 each | | |
| i) Number of shares at the beginning of the year | 1,51,86,612 | 1,51,86,612 |
| ii) Total number of Shares outstanding at the end of the year. | 1,51,86,612 | 1,51,86,612 |
| iii) Weighted Average Number of Equity Shares outstanding during the year | 1,51,86,612 | 1,51,86,612 |
| B) Net Profit After Tax | 5,98,99,240 | 2,34,89,808 |
| C) Basic and Diluted Earning per share (in Rupees) | 3.94 | 1.55 |
| D) Nominal Value of Shares | 10.00 | 10.00 |

Notes on Financial Statements for the Year Ended 31st March, 2015

25. PAYMENT TO AUDITORS :

| Particulars | For the Year 2014 - 15 Rupees | For the Year 2013 - 14 Rupees |
|---|-------------------------------------|-------------------------------------|
| Audit Fees | 9,55,060* | 9,55,060* |
| Tax Audit Fees | 1,96,630* | 1,96,630* |
| Certification Fees including Limited Review | 2,24,720* | 2,24,720* |
| Out of Pocket Expenses | 44,944* | 44,944* |
| Total | 14,21,354 | 14,21,354 |

*includes service tax and education cess of ₹ 1,56,354 /- (Previous Year ₹ 1,56,354 /-).

26. The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are become applicable to the company only at the end of the financial year i.e. on 31st March, 2015 upon meeting the threshold criteria of net profit of ₹ 5.00 crore or more and hence the Company had not spend any amount towards the CSR activities in the financial year 2014-15.

27. Earnings and Expenditure in Foreign Currency :

| Particulars | For the Year 2014 - 15 Rupees | For the Year 2013 - 14 Rupees |
|--|-------------------------------------|-------------------------------------|
| Earnings in Foreign Currency : | | |
| Air Freight Billing and Other expenses (Net) | 7,78,397 | 13,18,136 |
| Total | 7,78,397 | 13,18,136 |
| Expenditure in Foreign Currency : | | |
| Membership and Subscription Fees | 42,053 | 40,296 |
| Travelling | 6,79,056 | 4,16,792 |
| Total | 7,21,109 | 4,57,088 |

28. Contingent Liabilities

- i. Estimated amount of contracts remaining to be executed on capital expenditure and not provided for as on 31st March, 2015 ₹ 5,70,904/- (Previous Year ₹ 10,02,420/).
 - ii. Counter guarantees given to Banks and to Mr. Areef Patel, Executive Vice Chairman for guarantees provided by them against credit facilities ₹ 57,57,21,924/- (Previous Year ₹ 67,84,98,925/-), for which no monetary benefit has accrued to Mr. Areef Patel, Executive Vice Chairman.
 - iii. Claims against the Company not acknowledged as debts ₹ 85,70,000/- (Previous Year ₹ 76,10,000/-).
29. Sundry Debtors against whom the Company has filed the legal suits for recovery are being reviewed by the legal department on year-to-year basis. The Management is hopeful of recovery of these amounts. Accordingly no provision has been made for any loss, which may occur on this account.
30. Classification of debtors as secured and debtors / loans and advances as unsecured considered good are as evaluated and certified by the management, which has been relied upon by the auditors.
31. Balances of sundry debtors, sundry creditors and certain loans and advances are subject to confirmation / reconciliation and adjustments, if any in respect thereof.
32. Other Loans and Advances under Long Term Loans & Advances includes Inter Corporate Deposits aggregating to ₹ 1,38,27,000/- (Previous Year ₹ 2,94,27,000/-) due from certain companies. Having regards to the long-term association with these companies, the management is of the view that no provision is considered necessary on these accounts.
33. Trade Receivable outstanding in Company Books for Franchisee locations are collected by the Company, as agent on behalf of the Franchisee.

Notes on Financial Statements for the Year Ended 31st March, 2015

34. Segment Reporting –

| Segment | (Amt. in ₹) | | | |
|--|------------------------------------|--------------------------------|------------------------------------|--|
| | Surface Transportation | Co-Loading of Courier | Consolidation of Cargo | Total |
| Segment Revenue | | | | |
| External Sales | 1,72,65,37,833 (1,77,71,11,463) | 27,37,50,438 (21,53,21,816) | 3,87,95,18,839 (3,43,90,47,172) | 5,87,98,07,110 (5,43,14,80,451) |
| Inter - Segment Sales | | | | |
| Total Revenue | 1,72,65,37,833 (1,77,71,11,463) | 27,37,50,438 (21,53,21,816) | 3,87,95,18,839 (3,43,90,47,172) | 5,87,98,07,110 (5,43,14,80,451) |
| Segment Result | 14,39,11,926 (14,63,23,662) | 2,70,54,206 (2,15,80,728) | 17,20,97,585 (12,89,88,795) | 34,30,63,717 (29,68,93,185) |
| Unallocated corporate expenses | | | | 18,88,18,289 (18,31,56,151) |
| Operating Profits | | | | 15,42,45,428 (11,37,37,034) |
| Interest expenses | | | | 9,10,98,465 (9,15,17,116) |
| Interest / dividend income | | | | 63,95,717 (64,45,020) |
| Other Income | | | | 1,03,80,148 (22,23,443) |
| Net Profit | | | | 7,99,22,828 (3,08,88,381) |
| Other Information | | | | |
| Segment assets | 85,78,06,400 (85,95,07,874) | 7,11,96,455 (8,06,18,044) | 68,26,85,017 (71,99,80,186) | 1,61,16,87,872 (1,66,01,06,104) |
| Unallocated corporate assets | | | | 25,46,71,674 (25,77,78,800) |
| Total Assets | 85,78,06,400 (85,95,07,874) | 7,11,96,455 (8,06,18,044) | 68,26,85,017 (71,99,80,186) | 1,86,63,59,546 (1,91,78,84,904) |
| Segment Liabilities | 41,10,55,049 (43,15,61,823) | 1,43,32,156 (1,37,00,085) | 38,41,25,451 (40,59,26,342) | 80,95,12,656 (85,11,88,250) |
| Unallocated corporate liabilities | | | | 1,05,68,46,890 (1,06,66,96,654) |
| Total Liabilities | 41,10,55,049 (43,15,61,823) | 1,43,32,156 (1,37,00,085) | 38,41,25,451 (40,59,26,342) | 1,86,63,59,546 (1,91,78,84,904) |
| Capital Expenditure | 3,26,01,177 (1,27,84,465) | 32,200 (15,435) | 53,04,806 (1,90,23,721) | 3,79,38,183 (3,18,23,621) |
| Unallocated corporate capital expenditure | | | | - (-) |
| Total Capital expenditure | 3,26,01,177 (1,27,84,465) | 32,200 (15,435) | 53,04,806 (1,90,23,721) | 3,79,38,183 (3,18,23,621) |
| Depreciation and amortisation | 2,82,73,087 (2,64,15,656) | 2,99,582 (6,27,075) | 1,52,93,375 (1,65,68,577) | 4,38,66,044 (4,36,11,308) |
| Unallocated depreciation and amortisation | | | | 12,68,139 (12,85,387) |
| Total depreciation and amortisation | 2,82,73,087 (2,64,15,656) | 2,99,582 (6,27,075) | 1,52,93,375 (1,65,68,577) | 4,51,34,183 (4,48,96,695) |

Notes on Financial Statements for the Year Ended 31st March, 2015

35. Disclosure as per Accounting Standard – 29 – Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :

| Particulars | (Amt in ₹) Claims for Damages (legal or otherwise) |
|----------------------------|---|
| Opening Balance | 5,95,25,652 |
| Additions | 52,58,693 |
| Utilizations and Reversals | 2,12,67,862 |
| Closing Balance | 4,35,16,483 |

Provisions for claims for damage obligations (legal or otherwise) including provision for claims for damages, leakages, shortage and non-delivery of consignments are on account of routine matters where the Company anticipates probable outflow. The claims in respect of which legal suits are filed against the company are fully provided on the basis of legal suit amounts. For the other claims the amount of provision is based on the estimate made by the Company considering the facts and circumstances of each case. The timing and the amount of cash outflows that will arise from these matters will be determined only on settlement of actual cases and claims with the respective parties.

36. **Related party disclosures : -**

Related Parties have been classified as per Accounting Standards of Institute of Chartered Accountants of India as under:

- A) Individuals owning directly or indirectly an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise, and relative of such individual (Clause 3(c) of AS 18):
Mr. Asgar S. Patel and his relatives within the meaning of Clause 10.9 of AS 18.
- B) Key Management Personnel and relatives of such personnel (Clause 3(d) of AS18):
Mr. Areef Patel and his relatives within the meaning of Clause 10.9 of AS 18.
- C) Enterprises over which any person described in (A) or (B) is able to exercise significant influence (Clause 3(e) of AS 18):
- a) Wall Street Securities & Investment (India) Ltd.
 - b) Transways Combines Pvt. Ltd.
 - c) Patel Real Estate Developers Pvt. Ltd.
 - d) One Capital Ltd.
 - e) Patel Holdings Ltd.
 - f) Wall Street Derivatives and Financial Services (India) Pvt. Ltd.
 - g) Natasha Constructions Pvt. Ltd.
 - h) Natasha Homes Pvt. Ltd.
 - i) Natasha Construction Projects Pvt. Ltd.
 - j) A. S. Patel Trust
 - k) Goldman (Patel Family) beneficiaries Trust.

Notes on Financial Statements for the Year Ended 31st March, 2015

| Sr. No. | Particulars | A | | B | | C | |
|------------------------------|--------------------------------------|-------|-----------|-----------|-----------|-------------|-------------|
| Transactions during the year | | | | | | | |
| | | 14-15 | 13-14 | 14-15 | 13-14 | 14-15 | 13-14 |
| 1. | Rent Paid | - | 69,000 | - | - | - | - |
| 2. | Lease Rent Paid | - | - | - | - | 3,49,098 | 1,39,665 |
| 3. | Rent Received | - | - | - | - | 6,20,225 | 6,20,225 |
| 4. | Remuneration Paid | - | - | 43,10,026 | 44,15,476 | - | - |
| 5. | Reimbursement of Expenses (Paid) | - | 15,530 | - | - | 29,500 | 29,500 |
| 6. | Reimbursement of Expenses (Received) | - | - | - | - | 6,41,404 | 7,66,535 |
| 7. | Inter Corporate Deposit Repaid | - | - | - | - | 1,63,00,000 | 2,46,00,000 |
| 8. | Inter Corporate Deposits Taken | - | - | - | - | 3,17,00,000 | 1,31,00,000 |
| 9. | Interest on ICD paid | - | - | - | - | 21,76,641 | 3,85,427 |
| 10. | Property Deposit Received Back | - | 10,00,000 | - | - | - | - |
| 11. | Advance Given | - | - | - | - | - | 91,07,500 |
| 12. | Advance Given Received Back | - | - | - | - | - | 91,07,500 |
| | Balance as at | | | | | | |
| 13. | Inter Corporate Deposits Taken | | | | | | |
| | One Capitall Ltd. | - | - | - | - | 1,54,00,000 | - |
| 14. | Properties Deposit Given | | | | | | |
| | A S Patel Trust | - | - | - | - | 1,00,00,000 | 1,00,00,000 |

Above figures are excluding service tax and education cess, wherever applicable.

NOTES :

- i. The Godown deposit is treated as property deposit pending final outcome of the revision petition filed by the Company before Juridical Authorities.
 - ii. There are no provisions for doubtful debts or amounts written off or written back during the year for debts due from or to related parties.
 - iii. The ICD taken from related party was prior to the commencement of section 188 of Companies Act, 2013.
- 37.** In the opinion of the Board, current assets, loans and advances have a value of at least equal to the amounts shown in the Balance Sheet, if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary. There are no contingent liabilities other than those stated in Note No. 28.
- 38.** Previous year's figures are regrouped/restated wherever required.

As per our report of even date

For M S P & Co.
Chartered Accountants
(Registration No. 107565W)

M. S. PARIKH
Partner
Membership No. 08684

Mumbai,
Dated : 28th May, 2015

For and on behalf of the Board,

AREEF A. PATEL
Executive Vice Chairman

NITIN B. AKOLKAR
Company Secretary

P. S. G. NAIR
Director

DEEPAK M. KENI
VP - Finance & Accounts

July 29, 2015

Dear Shareholder(s)

Sub.: NECS Mandate details to be submitted by shareholders.

Securities and Exchange Board of India (SEBI) has directed the Companies to remit the dividend to their shareholders by way of National Electronic Clearing Service (NECS). We have the NECS facility for our shareholders and the coverage of the facility depends upon the response of shareholders.

The dividend of shareholders who have decided to opt for the NECS facility, will be directly credited to their bank account of which details are submitted by them. An intimation will be separately sent to shareholders giving the details of the credit of dividend, after the same is credited to their bank accounts.

If you decide to avail of the NECS facility, you are requested to fill up the enclosed '**NECS Mandate form**' and send the same on or before 15th September 2015 to your Depository Participant (DP) in case you hold the shares of the Company in the dematerialized form AND to the Share Transfer Agents of the Company if you hold the shares of the Company in the physical form.

Thanking you,

Yours' faithfully,

For PATEL INTEGRATED LOGISTICS LIMITED

(Nitin B. Akolkar)
Company Secretary

NECS MANDATE FORM

To,

Bigshare Services Private Limited
Unit: Patel Integrated Logistics Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai - 400072.

Dear Sirs,

Re.: Payment of Dividend through NECS (NECS Mandate Form)

I/We hereby give my/our mandate to credit my/our Dividend on the shares held by me/us under the below mentioned folio, directly to my/our bank account through the Electronic Clearing Service (ECS).

The details of my/our bank account for direct credit under ECS are given below:

| | | |
|----|--|--|
| 1. | Name of the first / Sole shareholder (IN BLOCK LETTERS) | |
| 2. | Folio No. (Use separate form for each folio) | |
| 3. | Name of the Bank (full) | |
| 4. | Bank Branch identification | |
| 5. | Address and telephone no. of the Bank / Branch | |
| 6. | 9 digit code no. of the Bank and Branch as appearing on the MICR Cheque issued by the Bank | |
| 7. | Tick the type of Account of which code is given above | a) Savings b) Current c) Cash Credit |
| 8. | Bank account no. as appearing on the cheque book | |
| 9. | Bank ledger no. / bank ledger folio no., if any, as appearing on the cheque book | |

I/We enclose a blank cancelled cheque / xerox copy of cheque to enable you to verify the details of the bank account.

I/We hereby declare that the particulars given hereinabove are correct and complete. If any transaction is delayed or is not effected at all because of incomplete or incorrect information, I/We will not hold the Company/the user institution/bank responsible for the same. I/We undertake to inform any subsequent changes in the above particulars before the relevant book closure date(s). I/We understand and agree that, the above details shall be maintained by you till I/We hold the shares in physical mode under the captioned folio(s). I/We hereby agree to avail the NECS facility provided by RBI and implemented by the Company.

Place :

Date :

(Signature of the Sole/First Shareholder)



CIN: L71110MH1962PLC012396

Regd. Office: Patel House, 5th Floor, Plot No.48, Gazdar Bandh, North Avenue Road, Santacruz (W.), Mumbai-400054

Tel No.: 022-26050021, 26052915, **Fax No.:** 022-26052554, **Website:** www.patel-india.com

BALLOT FORM

| | | |
|--|---|--|
| 1) Name and Registered Address of the Sole/First named shareholder | : | |
| 2) Name (s) of the Joint Shareholder (s) if any | : | |
| 3) Registered Folio No./DP ID No./ Client ID No. | : | |
| 4) Number of Shares Held: | : | |

I/We hereby exercise my/our vote in respect of the Resolutions to be passed for the business stated in the Notice of 53rd Annual General Meeting of the Company dated 29th July, 2015 by conveying my/our assent or dissent to the said Resolution(s) by placing a tick (✓) mark in the appropriate box below:

| Sr. No. | Description | No. of Shares held | OPTION (Please put (✓) in appropriate box below) | |
|---------|---|--------------------|--|---|
| | | | I/We assent (agree) to the Resolution | I/We dissent (disagree) to the Resolution |
| 1. | Adoption of Financial statements for the year ended 31 st March 2015 and the Directors' and Auditors' Reports thereon | | | |
| 2. | To declare dividend on equity shares. | | | |
| 3. | Re-appointment of Mr. Syed K. Husain, as Director who retires by rotation. | | | |
| 4. | Ratify the Appointment of M/s MSP & Co., Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration. | | | |
| 5. | Appointment of Mr. Areef A. Patel as Whole Time Director designated as Executive Vice Chairman. | | | |
| 6. | Appointment of Ms. Bhumika Batra as an Independent Director. | | | |

Place :

Date : _____, 2015

(Signature of the Shareholder)

Note: Please read the instructions printed overleaf carefully before exercising your vote.

(P.T.O.)

INSTRUCTIONS:

1. A Member desiring to exercise his/her vote by Ballot form should complete the Ballot Form in all respects and send it in a sealed envelope to the Scrutinizer Dinesh Kumar Deora, Practising Company Secretary, Unit: Patel Integrated Logistics Limited, C/o. Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072, so as to reach by 5.00 p.m. on 14th September 2015. Ballot Form received thereafter will strictly be treated as if not received.
2. The Ballot Form should be completed and signed by the Member. (as per specimen signature registered with the Company).
3. In case, shares are jointly held, this form should be completed and signed by the first named Member/Shareholder and in his/her absence, by the next named member/shareholder.
4. In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified copy of the Board Resolution/Authority together with attested specimen signature(s) of the duly authorised signatory(ies), giving requisite authority to the person voting on the Ballot Form.
5. A Member/Shareholder may sign the form through an Attorney appointed specifically for this purpose, in which case an attested true copy of Power of Attorney should be attached to the Ballot Form.
6. The voting rights shall be reckoned in proportion to a Member's /Shareholder's share of the fully paid -up value of Equity Share Capital of the Company as on 8th September 2015.
7. A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before sending the Ballot Form.
8. The right of voting by Ballot Form shall not be exercised by a proxy.
9. There will be only one Ballot Form for every folio irrespective of the number of Joint Member(s)/Shareholders(s).
10. Incomplete, unsigned, improperly or incorrectly tick (/) marked Ballot Form will be rejected summarily.
11. The Scrutinizer's decision on the validity of the Postal Ballot Form shall be final.
12. In the event member casts his votes through both the processes i.e. e-voting and Ballot Form, then voting done by e-voting would be considered and the voting done through Ballot Form would be ignored.



PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Form No. MGT-11

CIN : L71110MH1962PLC012396
Name of the Company : PATEL INTEGRATED LOGISTICS LTD
Registered office : Patel House, 5th Floor, Plot No.48, Gazdar Bandh, North Avenue Road, Santacruz (W.), Mumbai-400054
Name of the member (s) : _____
Registered address : _____
E-mail ID : _____
Folio No/ Client ID/DP ID : _____
I/We, being the Member(s) of _____ shares of Patel Integrated Logistics Limited hereby appoint,
1. Name : _____
Email ID : _____
Address : _____
Signature : _____ or failing her/him;
2. Name : _____
Email ID : _____
Address : _____
Signature : _____ or failing her/him;
3. Name : _____
Email ID : _____
Address : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 53rd Annual General Meeting of the Company, to be held on Tuesday, September 15, 2015 at 11.00 a.m. at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of Financial statements for the year ended 31 March 2015 and the Directors' and Auditors' Reports thereon.
2. To declare dividend on equity shares.
3. Re-appointment of Mr. Syed K. Husain, as Director who retires by rotation.
4. Ratify the Appointment of M/s MSP & Co., Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration.

Special Business:

5. Appointment of Mr. Areef A. Patel as Whole Time Director designated as Executive Vice Chairman.
6. Appointment of Ms. Bhumika Batra as an Independent Director.

Signed this _____ day of _____ 2015

Affix
revenue
stamp
of Re. 1

Signature of Proxy holder(s)

Signature of shareholder

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



CIN: L71110MH1962PLC012396

Regd. Office: Patel House, 5th Floor, Plot No.48, Gazdar Bandh, North Avenue Road, Santacruz (W.), Mumbai-400054
Tel No.: 022-26050021, 26052915, **Fax No.:** 022-26052554, **Website:** www.patel-india.com

ATTENDANCE SLIP

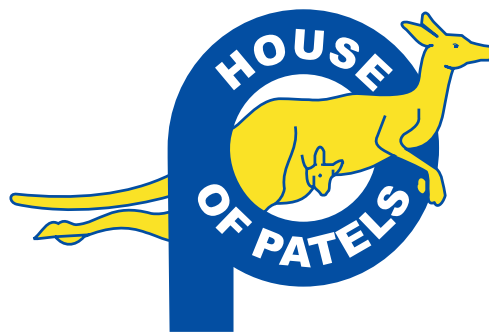
I/We hereby record my/our presence at the **53rd Annual General Meeting** of the Company on Tuesday, September 15, 2015 at 11.00 a.m. at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai -400 049.

| | | |
|--|---------------------------------------|-------------------|
| For Physical Holding | For Electronic Form (Demat) NSDL/CDSL | No of Shares Held |
| LF No.: | DP ID & CLIENT ID: | |
| Name of the Member (in Block Capitals) | | |
| Name of the Proxy (in Block Capitals) | | |

Signature of the Member / Proxy

NOTES:

1. Only members/proxies and representatives are allowed to attend the Meeting.
2. Members are requested to bring their copy of the Annual Report with them to the Meeting as additional copies of the same will not made available at the Meeting.



THE SYMBOL OF TRUST

**Excellence is not a destination;
It is a continuous journey
that never ends.**