

## DIRECTORS' REPORT

### Dear Members

Your Directors are pleased to present the Second Annual Report and the Audited Accounts for the financial year ended 31st March, 2011.

### Financial Results

(Amount In ₹)

Particulars	2010-2011	2009-2010
Gross Receipts	Nil	Nil
Less : Expenditure excluding Interest and Depreciation	1,10,410	13,190
Gross Profit before Interest and Depreciation	(1,10,410)	(13,190)
Less : Interest	Nil	Nil
Less : Depreciation	Nil	Nil
Profit / (Loss) before Tax	(1,10,410)	(13,190)
Less : Provision for Taxation	Nil	Nil
Provision for Fringe Benefit Tax	Nil	Nil
Profit After Tax	(1,10,410)	(13,190)
Add : Profit (Loss) brought forward from earlier year	(13,190)	Nil
Balance Carried to Balance Sheet	(1,23,600)	(13,190)

### Operations

Your Company still being in gestation period since its inception is yet to undertake any commercial activity and hence, there is no business revenue for the year under review. However the management and Board of Directors of your Company are optimistic about the future prospects of your Company.

### Dividend

Your Directors do not recommend any dividend on the Equity Shares for the year under review.

### Increase in Authorized Capital

Your Company has increased its Authorized Capital to ₹ 5,00,000/- (Rupees Five lacs only) divided into 50,000 Equity Shares of ₹ 10/- vide ordinary resolution passed in Extra-ordinary General Meeting held on November, 2010.

### Allotment of Equity Shares

During the year under review, your company has allotted 40,000 equity shares of ₹ 10/- each by way of a rights issue.

### Director

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association, Mr. C. Babu Rajeev was appointed as an Additional Director on the Board, with effect from October 26, 2010. He shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. C. Babu Rajeev for the office of Director, liable to retire by rotation.

Mr. Saket Agarwal retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

### Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the Annual Accounts for the year ended March 31, 2011, the applicable Accounting Standards had been followed and there is no material departure from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the loss of the company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the accounts for the year ended March 31, 2011 on a going concern basis.

**Auditors**

M/s. M. M. Chaturvedi & Co, Chartered Accountants, the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The Company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and they are not disqualified from such re-appointment within the meaning of Section 226 of the Companies Act, 1956.

**Particulars of Employees**

The Company has not paid any remuneration attracting the provisions of the Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956. Hence, no information is required to be appended to this report in this regard.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be furnished pursuant to Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, are as under:

- i. Part A and B of the Rules, pertaining to conservation of energy and technology absorption, are not applicable to the Company.
- ii. There were no foreign exchange earnings and outgo during the year under review.

**Acknowledgment**

Your Directors place on record their appreciation for the support and co-operation extended by Holding Company, Government authorities and the contribution by other stakeholders of the Company during the year under review.

For and on behalf of the Board of Directors

**Saket Agarwal**  
Chairman

Date: 26<sup>th</sup> April, 2011

**Regd. Office:**

5<sup>th</sup> floor, Bhupati Chambers,  
13 Mathew Road,  
Mumbai – 400 004

## AUDITORS' REPORT

**To**  
**The Members of**  
**ABG Container Handling Private Limited**

1. We have audited the attached Balance Sheet of ABG Container Handling Private Limited (the Company) as at 31<sup>st</sup> March, 2011 and the Profit and Loss Account Cash Flow Statement of the company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
  - (a) We have 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 Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as at 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
    - (ii) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date; and
    - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date;

**For M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Firm Registration No. 112941W)

**M.M. Chaturvedi**  
Partner  
Membership No. 31118

Mumbai,  
Dated: 26<sup>th</sup> April, 2011

**ANNEXURE TO AUDITORS' REPORT**

(The Annexure referred to in paragraph 3 of the Auditor's report of even date to the member of ABG Container Handling Private Limited on the accounts for the year ended on 31st March, 2011)

- 1) As the Company does not have any fixed assets, clause 4(i) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- 2) According to the information and explanations given to us, the Company's nature of operations does not require it to hold inventories and accordingly, clause 4(ii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- 3) In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 :
  - a. According to the information and explanations given to us, the Company has not given any loan to above parties during the year.
  - b. In view of our comment in 3(a) above, this clause 3(b) of the order is not applicable.
  - c. In view of our comment in 3(a) above, this clause 3(c) of the order is not applicable.
  - d. In view of our comment in 3(a) above, this clause 3(d) of the order is not applicable.
  - e. According to the information and explanations given to us, the Company has taken loan of ₹ 5 lacs from its holding company during the year.
  - f. In our opinion and according to the information and explanations given to us, the aforesaid loan is interest free and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - g. As the aforesaid loan taken is interest free and repayable on demand, the question of regular payments of the principal amount and interest does not arise.
- 4) 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 for sale of services. The activities of the Company do not involve purchase of inventory and fixed assets and the sale of goods. We have not noted any continuing failure to correct major weakness in the internal control system during the course of the audit.
- 5) In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - a. In our opinion, and according to the information and representations given to us, the transactions that need to be entered in the register in pursuance of section 301 of the Companies Act, 1956 has been so entered.
  - b. In our opinion and according to the information and explanations given to us, the company has not entered into any transaction in pursuance to contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lacs in respect of each party during the year.
- 6) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.
- 7) The requirement to report on internal audit system is not applicable to the Company.
- 8) According to the information and explanations given to us, the Central Government has not prescribed the maintenances of cost records, under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of services carried out by the Company.
- 9)
  - a. According to the information and explanations given to us, the Company was not required to make any deposit of Provident Fund, Employees State Insurance, Investor Education and Protection Fund, Income Tax, Sales Tax, Custom Duty, Wealth Tax, Excise Duty, Service Tax, Cess and any other material statutory dues during the year. According to the information given to us, no undisputed amounts in respect of aforesaid dues were outstanding at 31st March 2011 for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there are no disputed statutory dues which have not been deposited by the Company.
- 10) The Company has incurred cash losses during the year as well as in the preceding financial year the company has been registered for the period of less than five years.
- 11) According to the information and explanations given to us, the Company has not taken any loans from financial institutions or banks.
- 12) According to the information and explanations given to us, the Company has not granted loans and advance on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- 14) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- 15) According to the information and explanations given to us, the Company has not given guarantee for loan taken by others from banks.
- 16) According to the information and explanations given to us, the Company has not taken any term loan.
- 17) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have not been used during the period for long term investments.

19) The Company has not issued any debentures during the period.

20) The company has not raised any money by public issue during the period.

21) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period.

**For M. M. Chaturvedi & Co.**

Chartered Accountants

(Firm Registration No. 112941W)

**M. M. Chaturvedi**

Partner

Membership No. 31118

Mumbai,

Dated: 26<sup>th</sup> April, 2011

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011**

	Schedule	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
<b>SOURCES OF FUNDS:</b>			
<b>Shareholders' Fund</b>			
Share Capital	A	5,00,000	1,00,000
<b>Loan Funds</b>			
Unsecured Loan (Loan taken from ABG Ports Pvt. Ltd, the holding company)		5,06,100	6,100
		<b>10,06,100</b>	<b>1,06,100</b>
<b>APPLICATION OF FUNDS:</b>			
<b>Current Assets, Loans and Advances :</b>			
<b>Current Assets</b>			
Cheque in hand		-	1,00,000
Balance with Scheduled Bank in Current account		9,17,165	-
		<b>9,17,165</b>	<b>1,00,000</b>
<b>Less: Current Liabilities and Provisions</b>			
Current Liabilities	B	34,665	7,090
<b>Net Current Assets</b>		<b>8,82,500</b>	<b>92,910</b>
Profit & Loss account		1,23,600	13,190
		<b>10,06,100</b>	<b>1,06,100</b>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	C		

As per our attached report of even date

**For M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Firm Registration No. : 112941W)

**M. M. Chaturvedi**  
Partner  
Membership No.: 31118

Place : Mumbai  
Date: 26th April 2011

For and on behalf of the Board

**Saket Agarwal**  
Director

**Prafulla K. Sinha**  
Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2011**

	Schedule	For the Year Ended 31st March 2011 (₹)	For the Period From 06.11.2009 to 31.03.2010 (₹)
<b>INCOME</b>			
Other Income		-	-
		-	-
<b>EXPENDITURE</b>			
Audit Fees		11,030	5,515
Franking and Stamping Charges		1,400	-
Preliminary Expenses		-	7,675
Printing & Stationery		11,725	-
Professional Service Charges		21,801	-
ROC Fees		12,300	-
Tender Documentation Charges A/c		52,154	-
		<b>1,10,410</b>	<b>13,190</b>
<b>NET PROFIT/ (LOSS)</b>		<b>(1,10,410)</b>	<b>(13,190)</b>
Add: Balance brought forward from previous year		(13,190)	-
<b>NET LOSS CARRIED TO BALANCE SHEET</b>		<b>(1,23,600)</b>	<b>(13,190)</b>
Basic/Diluted Earning per Share of ₹ 10/- each		(2.21)	(1.32)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	C		

As per our attached report of even date

**For M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Firm Registration No. : 112941W)

For and on behalf of the Board

**M. M. Chaturvedi**  
Partner  
Membership No.: 31118

**Saket Agarwal**  
Director

**Prafulla K. Sinha**  
Director

Place : Mumbai  
Date: 26th April 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

	For the year Ended 31st March, 2011 (₹)	For the Period Ended 31st March, 2010 (₹)
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Loss as per Profit and Loss Account before tax	(1,10,410)	(13,190)
Adjusted for :		
Increase/ (Decrease) in Trade payables	27,575	13,190
<b>Net Cash flow from Operating Activities</b>	<b>(82,835)</b>	-
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in Share Capital	4,00,000	1,00,000
Loan taken from ABG Port Pvt. Ltd.	5,00,000	
Preliminary and share issue expenses	-	-
<b>Net Cash flow from Financing Activities</b>	<b>9,00,000</b>	<b>1,00,000</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>8,17,165</b>	<b>1,00,000</b>
Opening Balance of Cash and Cash Equivalent	1,00,000	-
<b>Closing Balance of Cash and Cash Equivalent</b>	<b>9,17,165</b>	<b>1,00,000</b>

(Note : Components of Cash and Cash Equivalents are given under Cash and Bank Balances in Balance Sheet as at 31st March 2011)

As per our attached report of even date

**For M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Firm Registration No. : 112941W)

For and on behalf of the Board

**M. M. Chaturvedi**  
Partner  
Membership No.: 31118

**Saket Agarwal**  
Director

**Prafulla K. Sinha**  
Director

Place : Mumbai  
Date: 26th April 2011

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011**

	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
<b>Schedule - "A"</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
50,000 Equity shares of ₹ 10/- each	5,00,000	1,00,000
	5,00,000	1,00,000
<b>Issued, Subscribed and Paid up</b>		
50,000 (Previous year: 10,000) Equity shares of ₹ 10/-each fully paid. (Note : Above Equity shares (Previous year 10,000) are held by ABG Ports Private Limited, the holding company)	5,00,000	1,00,000
	<b>5,00,000</b>	<b>1,00,000</b>
<b>Schedule - "B"</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors	34,665	7,090
	<b>34,665</b>	<b>7,090</b>

**SCHEDULES FORMING PART OF BALANCE SHEET OF THE COMPANY  
AND AS AT 31<sup>ST</sup> MARCH, 2011 AND PROFIT AND LOSS ACCOUNT  
FOR YEAR ENDED 31<sup>ST</sup> MARCH, 2011.**

**SCHEDULE "C"**

1. Accounts have been prepared on accrual basis in accordance with historical cost convention.
2. Company has not yet started commercial operation.
3. Deferred tax, asset has not been accrued in accounts in view of uncertainty about future profits.

4. **Balance Sheet Abstract and Company's General Business Profile:****I. Registration Details**

Registration No	196894
State Code	11
Balance Sheet Date	31st March, 2011

**II. Capital Raised During The Year** (Amount ₹ in '000)

Public issue	Nil
Rights Issue	400
Bonus Issue	Nil
Private Placement	Nil

**III. Position of Mobilisation and Deployment of Funds** (Amount ₹ in '000)

Total Liabilities	1006
Total Assets	1006

**Source Of Funds**

Paid-Up Capital	500
Reserves & Surplus	Nil
Secured Loans	Nil
Unsecured Loans	506

**Application of Funds**

Net Fixed Assets	Nil
Investments	Nil
Net Current Assets	883
Misc. Expenditure	Nil
Accumulated Losses	-124

**IV. Performance of Company** (Amount ₹ in '000)

Turnover(including Other Income)	Nil
Total Expenditure	110
Loss Before Tax	110
Loss After Tax	110
Earning Per Share (Equity) ₹	-2.21
Dividend Per Share	Nil

**V. Generic Names of Principal Product**

Not Applicable

5. Except to the extent stated above, no other disclosure requirement of Schedule VI Part II of the Companies Act, 1956 is applicable to the Company.

As per our attached report of even date

**For M. M. Chaturvedi & Co.**  
Chartered Accountants  
(Firm Registration No. : 112941W)

For and on behalf of the Board

**M. M. Chaturvedi**  
Partner  
Membership No.: 31118

**Saket Agarwal**  
Director

**Prafulla K. Sinha**  
Director

Place : Mumbai  
Date: 26th April 2011