

51

|     |    |   |     |   |
|-----|----|---|-----|---|
| MD  | ✓  |   | BKC | ✓ |
| CS  | NA |   | DPV | ✓ |
| NO  | ✓  |   | D.V | ✓ |
| TRA | NA |   | AC  | ✓ |
| FGM | ✓  | ✓ | SH  | ✓ |
| BE  | ✓  | ✓ |     |   |

# THE BHARAT LINE LIMITED

## Report and Accounts

for  
the Accounting Year ended

31st March, 1997

**BHAVNAGAR**

**BALANCE SHEET AND PROFIT & LOSS ACCOUNT**  
**with**  
**DIRECTORS REPORT**  
**of**  
**THE BHARAT LINE LIMITED**  
**to be laid before the**  
**FIFTYFIRST ORDINARY ANNUAL GENERAL MEETING**  
**TO BE HELD ON**  
**TUESDAY THE 30TH SEPTEMBER, 1997.**

**Board of Directors :**

**SHRI ARVIND G. KAMDAR**  
**SHRI C.S. NARASIMHAN**  
**SHRI BHIKHALAL N. SHAH ( Expired on 23-02-1997 )**  
**SHRI KHIMJI G. KAMDAR**

|                            |   |
|----------------------------|---|
| <b>BANKERS :</b>           | <b>CENTRAL BANK OF INDIA</b><br><b>DENA BANK</b>  |
| <b>SOLICITORS :</b>        | <b>MESSRS. CHIMANLAL SHAH &amp; CO.</b>   |
| <b>AUDITORS :</b>          | <b>MESSRS. VATSARAJ &amp; CO.</b>   |
| <b>REGISTERED OFFICE :</b> | <b>KUNDAN KUNJ,</b><br><b>GHOGHA CIRCLE,</b><br><b>BHAVNAGAR - 364 001.</b><br><b>( GUJARAT )</b> |

# THE BHARAT LINE LIMITED

## NOTICE

NOTICE is hereby given that the 51st Annual General Meeting of THE BHARAT LINE LIMITED, will be held at the Registered Office of the Company at Kundan Kunj, Ghogha Circle, Bhavnagar-364001, on Tuesday, the 30th Sept. , 1997 at 11.00 hrs. to transact the following business:-

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the accounting year ended 31st March, 1997 :
2. To declare a Dividend :
3. To elect a Director in place of Shri Arvind G. Kamdar, who retires by rotation under Article 145 and eligible, offers himself for re-election under Article 146 of the Articles of Association of the Company.
4. To appoint Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration :

Kundan Kunj,  
Ghogha Circle,  
Bhavnagar - 364 001.

Date: 25-8-1997.

By Order of the Board  
For and on behalf of  
**THE BHARAT LINE LIMITED**  
**ARVIND G. KAMDAR**  
Director

**Notes:**

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than fortyeight hours before the commencement of the Meeting.
2. The Share Transfer Books of the Company will remain closed from 30th September, 1997 to 10th October, 1997 both days inclusive.
3. The Dividend if declared will be paid on or after to those Members whose name appear in the Company's Register of members on 10th October, 1997.
4. The details of dividends paid by the Company and their respective due dates of transfer to the Central Government, if they remain unclaimed are stated below:

| Dividend<br>No. | Date of Dividend<br>Warrant | Due date of Transfer to the<br>Government |
|-----------------|-----------------------------|---|
| 19              | 15-10-1994                  | 15-10-1997                                |
| 20              | 5-10-1995                   | 5-10-1998                                 |
| 21              | 25-10-1996                  | 25-10-1999                                |

In case members have not encashed any of the above dividend Warrants they are requested to encash the same before the due date of transfer to the Government after revalidation by the Company.

5. Members are requested to kindly notify change of address, if any.

# THE BHARAT LINE LIMITED

Kundan Kunj, Ghogha Circle,  
BHAVNAGAR, 25th August '97.

## DIRECTOR'S REPORT

To,

The Shareholders  
The Bharat Line Ltd.

Gentlemen,

Yours Directors have the honour to present their Report and Audited Balance Sheet and the Profit & Loss Account of the Company for the Accounting Year ended 31st March 1997.

### FINANCIAL RESULTS :

|   | Previous Year<br>Rs. | This Year<br>Rs. |
|---|----------------------|------------------|
| Income  | 21,26,425            | 21,95,975        |
| Less: Expenditure                               | 9,22,550             | 11,51,475        |
|   | 12,03,875            | 10,44,500        |
| Add: Opening Balance                            | 39,132               | 7,869            |
|   | 12,43,007            | 10,52,369        |
| Less: Income Tax for early years                | 2,54,009             | -                |
|   | 9,88,998             | 10,52,369        |
| Less: Provision for Depreciation                | 5,129                | 27,648           |
|   | 9,83,869             | 10,24,721        |
| Less: Provision for Taxation                    | 6,16,000             | 4,40,000         |
|   | 3,67,869             | 5,84,721         |
| Less: Transfer to General Reserve               | 60,000               | 2,30,000         |
|   | 3,07,869             | 3,54,721         |
| Less: Proposed Dividend                         | 3,00,000             | 3,00,000         |
|   | 7,869                | 54,721           |
| Less: Dividend Corporate Tax                    | -                    | 30,000           |
| Balance Carried Forward to Next Accounting Year | 7,869                | 24,721           |

**DIVIDEND :**

Your Directors have decided to recommend to you the declaration of a Dividend of 30 paise per Share.

**GENERAL RESERVE :**

The General Reserve as at 31st March 1996 stood at Rs. 10,60,000/- which is augmented by the sum of Rs.2,30,000/- as proposed under allocations and the General Reserve as at 31st March, 1997 aggregates to Rs.12,90,000/-

**PROVISION FOR INCOME TAX :**

Income Tax Assessment upto Assessment Year 1995-96 are completed and as per their demand Rs.6,63,000/- is outstanding against which Appeals are pending before the Income-Tax Appellate Tribunal and as such no provision is made.

**FIRST REFUND ON CAPITAL :**

During the year under Report no claim was lodged with the Company and the Balance outstanding at the end of the year is Rs.3,27,630/-

**SECOND REFUND ON CAPITAL :**

During the year under Report claim was lodged with the Company for Rs. 1,280/- and the Balance outstanding at the end of the year is Rs.3,61,064/-

**DIRECTORS :**

Your Directors place on record the sad demise of your Director Shri Bhikhalal Nagardas Shah who expired on 23rd February, 1997. Your Directors have condoned his Death, and have offered their sympathies to the friends and relatives of the deceased.

Your Director Shri A. G. Kamdar retire by rotation under Articles 145 of the Articles of Association of the Company and being eligible, offer himself for the re-election under Articles 146.

**REMUNERATION OF EMPLOYEES :**

During the period under report none of the employees of the Company was in receipt of remuneration which in aggregate amounted to Rs.25,000/- per month or more or to Rs.3,00,000/- per year or more.

**APPOINTMENT OF AUDITORS :**

The term of office of your Auditors, Messers. Vatsaraj & Company Bombay expires with the conclusion of this Fiftyfirst Ordinary Annual General Meeting of the Share Holders. Your Directors have obtained a Certificate from the Auditors as required under Section 224 of the Companies Act, 1956 to the effect that the appointment if made, will be in accordance with the limits specified in Sub Section 1B of Section 224 of the Companies Act, 1956. You are requested to appoint Auditors for the ensuing year and to fix their remuneration.

**AUDITORS OBSERVATIONS :**

As regards the observations made by the Auditors in their Report to you, the same have been dealt with in the notes forming part of Account and need no further explanation.

With reference to the further observations of the Auditors Report II-2a and b, the amount due from erstwhile subsidiaries Ship Repairers Ltd. was granted when the said Company was a 100% subsidiary of the Company. such loans are exempt u/s 370 of the Act and therefore, the question of excess of limit u/s 370 does not arise.

As for investment , the investment in a Unit Trust, is not investment in Share as contemplated in Section 372 of the Act and that the units are not Shares, in view of Company Law Board Circular Letter dated 8 (15) quoted in Companies News and Notes dated 16.1.65. The question of exceeding the limit therefore, does not arise.

For and on behalf of the Board of  
Directors of  
**THE BHARAT LINE LIMITED**  
I remain, Gentlemen  
Your's faithfully,  
**Arvind G. Kamdar**  
Director

# AUDITORS REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of **THE BHARAT LINE LIMITED** as at 31st March, 1997 and also the annexed Profit & Loss Account of the year ended on that date and report that :-

- I. As required by the Manufacturing and other Companies (Auditor's Report) order 1988 issued by the Central Government and on the basis of such checks as we considered appropriate, we state that :-
  - i) The Company had maintained records to show particulars including quantitative details of its fixed assets. We are informed by the management that no physical verification of fixed assets had been carried out during the year.
  - ii) The fixed assets have not been revalued during the year under report.
  - iii) The Company has not taken any unsecured loan from Parties as mentioned under Section 301 of the Companies Act, 1956. The Company has not taken any other loan from the company under the same management as defined under Section 370 (1-B) of the Companies Act, 1956.
  - iv) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties listed in the register maintained Under Section 301 of the Companies Act, 1956 and/or to the Companies under the management as defined under Section 370 (1-B) of the Companies Act, 1956.
  - v)
    - a) The Company has given advances in the nature of loans to its employees free of interest and without any stipulation as to the repayment and we are informed that these loans will be recovered out of salary payable to employees.
    - b) The Company has to recover a sum of Rs.1,60,000/- on account of loan and Rs.6,77,894/- on current account from Ship Repairers Ltd., the erstwhile subsidiary of the Company. According to memorandum of understanding in the matter the said amount was to be recovered by 31.3.1986.



No interest has been charged balance due, not confirmed and no steps for recovery of the said amount has been taken.

- vi) There is adequate internal control commensurate with the size of the company and nature of its business for the purchase of fixed assets and for sale of goods.
- vii) There are no transaction of purchase of goods and materials and sale of goods materials and services, made in pursuance of contract or arrangement entered in the register maintained U/S 301 of the Companies Act, aggregating to Rs.50,000/- during the year in respect of each parties.
- viii) The Company has not accepted deposit from public.
- ix) The Company generally, is regular in depositing Provident Fund dues with appropriate authority.
- x) According to information given to us, there were no undisputed amount, payable in respect of Income Tax, Sales Tax, Custom Duty, Excise Duty which have remained outstanding on 31.3.1997 for a period of more than 6 months from the date they become payable.
- xi) According to the information and explanation given to us no personal expenses of employees or Directors have been charged to revenue accounts, other than those payable under contractual obligation in accordance with generally accepted business practice.
- xii) The Company is not sick industrial company within the meaning of Clause (O) of Sub-Section (1) of the Section 3 of Sick Industrial Companies (Special Provision) Act, 1985
- xiii) The Report does not include a statement on matters specified in items Nos. (iii), (iv), (xii), (xiv), (xv), (xvi) of paragraph 4(A) and item Nos. (ii), (iii) and (iv) paragraph 4 (B) respectively of manufacturing and other Companies (Auditor's Rport) Order 1988 since in our opinion and according to information and explanation given to us is no matter which can be reported upon as per aforesaid Order.