

ANNUAL
REPORT

1998-
99



**COASTAL
ROADWAYS LIMITED**

REGISTERED OFFICE

4, Black Burn Lane, Calcutta-700 012

CORPORATE OFFICE

1/1, Camac Street, Calcutta-700 016

BOARD OF DIRECTORS

Shri Madan Gopal Todi — Chairman
 Shri Anand Kr. Agarwal
 Dr. V. C. Shah
 Dr. T. S. Sethurathnam
 Shri Shree Krishna Khaitan
 Shri Lallan Kumar Todi
 Shri Sushil Kumar Todi
 Shri Ashok Kumar Todi
 Shri Krishna Kumar Todi — Managing Director
 Shri Kanhaiya Kumar Todi—Managing Director

BANKERS

American Express Bank Ltd.
 State Bank of India
 The Hongkong & Shanghai Banking Corpn. Ltd.
 The Federal Bank Ltd.
 Punjab & Sind Bank
 UCO Bank
 Union Bank of India

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4, Black Burn Lane
 Calcutta - 700 012

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EXECUTIVE

Shri Manoj Todi — President

AUDITORS

Agarwal Maheswari & Co.
 Chartered Accountants
 2B, Grant Lane
 Calcutta - 700 012

SOLICITORS & ADVOCATES

Dey & Associates
 Temple Chambers
 6, Old Post Office Street
 Calcutta - 700 001

SHARE TRANSFER AGENTS

ABC Computers Private Limited
 National Council of Education, Bengal,
 Jadavpur University Campus
 Jadavpur, Calcutta-700 032
 Tel. — 473-1163/5363

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NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of **COASTAL ROADWAYS LIMITED** will be held on Monday the 27th day of September, 1999 at Merchants' Chamber of Commerce, Somany Conference Hall, 15-B Hemanta Basu Sarani, Calcutta - 700 001, at 11.30 A.M. to transact the following business :

Ordinary Business

1. To receive and adopt the audited Profit & Loss Account of the Company for the year ended 31st March, 1999 together with the Balance Sheet as at that date the Reports of the Directors and Auditors thereon.
2. To declare dividend for the year ended 31st march, 1999.
3. To appoint Directors in place of Dr. T. S. Sethurathnam, Sri Shree Krishna Khaitan and Sri Anand Kumar Agarwal who retire by rotation and being eligible offer themselves for reappointment.
4. To appoint Auditors and fix their remuneration.

Regd. Office
4, Black Burn Lane
Calcutta - 700 012
The 31st day of May, 1999

By Order of the Board

K. K. Todi
Managing Director

NOTES :

- a) A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a Member of the Company.
- b) The Register of Members and Share Transfer Books in respect of the Equity Shares of the Company will be closed from Thursday the 23rd day of September, 1999 to Monday the 27th day of September, 1999 both days inclusive.
- c) Dividend on Equity Shares when approved will be made payable to those Shareholders whose names stand on the Company's Register on 27th September, 1999 and dividend warrants will be posted within the statutory period.
- d) Members are requested to notify change of address, if any, immediately to the Company at its Registered office.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 31st Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 1999.

OPERATING RESULTS

	1998-99 (Rs./Lacs)	1997-98 (Rs./Lacs)
Working during the year shows a surplus of	236.82	249.55
From which is deducted		
Finance Charges	22.88	15.53
Depreciation	133.85	121.39
Provision for Taxation	24.00	26.00
	<u>180.73</u>	<u>162.92</u>
Leaving a Net Profit of	56.09	86.63
To which is added Balance brought forward from previous year	0.62	2.41
Which is appropriated as under :		
Transfer to General Reserve	10.40	20.00
Proposed Dividend	41.46	62.20
Tax on proposed Dividend	4.15	6.22
Balance carried forward to next year	0.70	0.62

OPERATIONS

The Country has been passing through recessionary phase particularly in engineering and consumer goods segments of the Industry. There has been overall fall in the turnover of various Companies and transport being the service sector Industry, the working results of financial year 1998-99 has been severely affected. Since there was slowdown in Industry, Infrastructure and International trade, particularly exports, there has been heavy sluggishness in overall economic activities of the country which has badly affected the movement of Cargo by road. The performance of the Company is, however, considered satisfactory, keeping in view the steep decline and continuous downward trend in the Industrial growth of the Country. The total freight earnings of the Company were recorded for Rs. 3463 lacs as against Rs. 3828 lacs during the previous year. The PBIDT, however, remained more or less same as compared to the last year. The Directors have kept constant vigil over the performance and progress of the Company and frequent interactions with the Customers and Executives of various other Companies have immensely attributed in controlling the overall operational cost.

DIVIDEND

In view of decline in gross revenue earnings, the Directors have recommended a lower Dividend of 10% on Equity Shares which, if approved by you, will absorb a sum of Rs. 45.61 lacs including tax on Dividend.

FINANCE AND ACCOUNTS

The profit after depreciation and tax has resulted in an internal cash generation of Rs. 198 lacs as against Rs. 208 lacs in the previous year. The shareholders fund has increased to Rs. 1029 lacs, thereby increasing net worth to Rs. 24.82 per share. In order to mobilise additional working capital funds, the Company has disposed off some Fixed Assets and Investments in Shares.

FUTURE PLANS AND OUTLOOK

The reputation and the Confidence in the services of the Company continue to be strong and efforts are being made to find out more potential clients and if required, by opening additional pockets in the remote areas and exploring the feasibility of transportation of certain essential consumer goods by refrigerated containers. As reported last year, the Company has successfully completed its diversification programme of cargo movements by containers traffic. In fact, it has been immensely appreciated by the valued customers of the Company with the firm assurance of creating more business opportunities thereby increasing the turnover of the Company. To keep pace with the latest system of cargo handling and in order to maintain dedicated and personalised services to the clients and in accordance with the International standard, it is fairly expected that this containerisation will give very impressive results thereby increasing the turnover in the current year.

Y2K COMPLIANCE

The Company has taken adequate steps to be Y2K compliant by December, 1999. The cost of ensuring the above compliance will not be very significant. The Company has sufficient resources to take care of disruptions, if any, due to Y2K issues.

REDRESSAL OF INVESTORS' COMPLAINTS

The Company received 65 letters during the year mainly relating to non-receipt of Dividend Warrants, which were attended quickly and no complaint is pending. The Company received two letters till date from SEBI and the same were also immediately replied. The average time taken for redressal was ten days from the date of receipt.

DEPOSITS

No Public Deposits were invited or accepted during the year under report.

SUBSIDIARY

In the process of financial restructuring and revamping of the limited resources of the Company, the entire shareholding of the wholly owned subsidiary Company M/S Coastal Overseas Ltd. has been disposed off during the year.

DIRECTORATE

Dr. T. S. Sethurathnam, Sri. Shree Krishna Khaitan and Sri Anand Kumar Agarwal retire by rotation and being eligible offer themselves for re-appointment.

AUDITORS

M/s Agarwal Maheswari & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS' REPORT

Notes on the accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULE 1988**A. Conservation of Energy :**

The Company's operation involve no energy consumption.

B. Form of Disclosure of particulars with respect to absorption of Technology and Development of R & D :

- i) Research and Development — The Company do not have any R & D Division and Company's Operations do not require this type of establishment.
- ii) Technology absorption, adoption and innovation — The Company has not imported any technology due to its nature of operation.

PERSONNEL

The true index to a Company's success is not only its turnover and quantum of profits but its human resource, the ultimate resource. The Directors sincerely thank the employees at all levels for their dedicated services and co-operation which enabled the Company to perform satisfactorily. There are no employees drawing remuneration of Rs. 50,000/- a month or Rs. 6,00,000/- a year and therefore, no particulars in terms of Section 217 (2A) of the the Companies Act, 1956 are attached to this report.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the continued co-operation and support extended by the Company's Bankers, clients, various agencies and departments of the Central and State Government.

Place : Calcutta

Date : 31st May, 1999

On behalf of the Board of Directors

(M. G. Todi)
(Chairman)