

MD	✓		BKG	✓
CS	NA		DPY	NA
RO	✓		DIV	NA
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
VE	✓	✓		

# 16th Annual Report 1996 - 97



## Hariyana Ship-Breakers Ltd.

# HARIYANA SHIP-BREAKERS LIMITED

## 16th Annual Report 96-97

### BOARD OF DIRECTORS

SHANTI SARUP RENIWAL

*CHAIRMAN & MANAGING DIRECTOR*

S.M. JALAN *DIRECTOR*

RAJEEV RENIWAL *DIRECTOR*

SANJEEV RENIWAL *DIRECTOR*

RAKESH RENIWAL *DIRECTOR*

### REGISTERED OFFICE

41, PERSEPOLIS,

CUFFE PARADE.

MUMBAI - 400 005

### BRANCH OFFICE

311, MADHAV DARSHAN

KALANALA, BHAVNAGAR (GUJARAT) - 364 001

### WORKS

ALANG SHIP BREAKING YARD,

PLOT NO. 14, ALANG

DIST. BHAVNAGAR (GUJARAT) - 364 150

### BANKERS

PUNJAB NATIONAL BANK

### AUDITORS

M/S. K.K. KHADARIA & CO.

CHARTERED ACCOUNTANTS

1, HILL VIEW APT, J. P. ROAD,

ANDHERI (W), MUMBAI - 400 058

### REGISTRAR

INDO PACIFIC SECURITIES LTD.

UNIT NO. A/12, 2ND FLOOR,

RAJ INDUSTRIAL COMPLEX,

MILITARY ROAD, MAROL,

ANDHERI (E), MUMBAI - 400 059.

### SIXTEENTH ANNUAL GENERAL MEETING

ON MONDAY 22ND SEPTEMBER 1997 at 3.00 p.m.

AT 302, Sylverton, 102 Wodehouse Road,

Colaba, Mumbai - 400 005.

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**HARIYANA SHIP-BREAKERS LIMITED****NOTICE**

NOTICE is hereby given that the SIXTEENTH ANNUAL GENERAL MEETING of the Members of the company will be held on Monday 22d SEPTEMBER, 1997 at 3:0 p.m. at 302, Sylverton, 102, Wodehouse Road, Colaba, Mumbai - 400 005, to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. (a) To Appoint a Director in place of Mr. Rajeev Reniwal who retires by rotation and being eligible offer himself for re-appointment.  
(b) To Appoint a Director in place of Mr. Sanjeev Reniwal who retires by rotation and being eligible offer himself for re-appointment.
3. To Appoint Statutory Auditors and to fix their remuneration.
4. To Appoint Branch Auditors and fix their remuneration.

For and on behalf of the  
Board of Directors

Place : Mumbai  
Dated : 30.6.97

SHANTI SARUP RENIWAL  
Chairman & Managing Director

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM TUESDAY 16TH SEPTEMBER, 1997 TO MONDAY 23RD SEPTEMBER, 1997 (BOTH DAYS INCLUSIVE)

**HARIYANA SHIP-BREAKERS LIMITED****DIRECTORS' REPORT**

The Members,

HARIYANA SHIP-BREAKERS LIMITED

Your Directors have pleasure in submitting their Sixteenth Annual Report together with Audited Balance Sheet as at 31st March, 1997 and the Profit & Loss Account for the year ended on that date along with the report of the Auditors.

**1. FINANCIAL HIGHLIGHTS**

(Rs. in lacs)

PARTICULARS	Year Ended 31.03.97	Year Ended 31.03.96
Profit before depreciation and tax	30.09	208.11
Depreciation	27.85	38.03
Profit after Depreciation	2.24	170.08
Less: Provision for Tax	NIL	NIL
Add: Excess Depreciation		
Provision written back	NIL	29.40
Less: Income Tax relating to earlier years	NIL	0.39
Profit after tax and depreciation c/d.	2.24	199.09
Add: Balance Brought Forward	437.35	262.90
Less: Proposed Dividend (Subject to deduction of Tax)	NIL	24.64
Balance c/f to Balance Sheet	439.59	437.35

**2. DIVIDEND**

In view of inadequate profit, your Directors do not recommend any dividend for the year ended 31st March, 1997.

**3. AUDITORS':****A. APPOINTMENTS :**

- M/s K.K. Khadaria & Co., Chartered Accountants, Statutory Auditor of Company hold the office until conclusion of the Annual General Meeting and are eligible for reappointment. The Company has received certificate from the above auditors to the effect that their appointment if made, would be within prescribed limit under Section 224(1B) of the Companies Act, 1956.
- It is proposed to reappoint M/s Jain Seth & Co., Chartered Accountants, Bhavnagar as Branch Auditors for auditing the accounts of Bhavnagar Branch. You are requested to consider their reappointment.

**B. COMMENTS ON AUDITORS REMARK :**

Observation made in the Auditors' report are self explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

**4. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :**

The particulars in respect of Conservation of energy etc., pursuant to the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are set out in the statement annexed hereto which is forming part of this report.

**5. PARTICULARS OF EMPLOYEES**

There is no employee drawing the remuneration in the excess of limits prescribed u/s. 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975.



## HARIYANA SHIP-BREAKERS LIMITED

### 6. DIRECTORS

Mr. Rajeev Reniwal and Mr. Sanjeev Reniwal, Directors of the Company retire by rotation and their appointment is recommended to the members of the Company.

### 7. LABOUR

Industrial relations continued to be cordial throughout the year.

### 8. ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Bankers, Customers, and Suppliers for the support extended by them to the Company.

Your Director also take this opportunity to record their appreciation of the contribution made by all the employees to the operations of the Company.

### 9. PERFORMANCE V/S. PROJECTION

Particulars	Projected for 1996-97 (Rs. in Lacs)	Actual for 1996-97 (Rs. in Lacs)
1. Income	5670.00	5403.05
2. Profit before tax	471.32	2.24
3. Profit after tax	256.31	2.24
4. Earnings per Share	5.13	0.04

Projections as per the Prospectus dated 17.1.95 could not be achieved mainly on account of two factors namely steep increase in purchase cost of raw material and sluggish market condition of the industry to which Company belongs.

PLACE : MUMBAI  
DATED : 30.06.97

For and on behalf of the  
Board of Directors

Report Junction.com

SHANTI SARUP RENIwal  
Chairman & Managing Director

**HARIYANA SHIP-BREAKERS LIMITED**

## ANNEXURE TO DIRECTOR'S REPORT TO THE SHAREHOLDERS

Information as per Section 217 (1)(a) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Director's Report for the year ended 31st March, 1997.

### A. CONSERVATION OF ENERGY

Since the Company uses modern equipment the Company does not have any plan to additional investment on this account.

#### FORM - A

Form for Disclosure of Particulars with respect to conservation of Energy:

The Company is engaged in the business of ship breaking and does not consume power for its manufacturing operation.

### B. TECHNOLOGY ABSORPTION

#### 1 Research & Development

No Research & Development work has been carried out by the Company and, therefore, there is no expenditure under this head. Future plan of action for Research and Development is being worked out.

#### 2. Technology Absorption

The Company has not imported any technology for its plant.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Members are requested to refer to Notes 15 (E)(F)(G) of Schedule 22 forming part of the Profit & Loss Account for the year ended 31st March, 1997.

PLACE : MUMBAI  
DATED : 30.06.97

For and on behalf of the  
Board of Directors

**SHANTI SARUP RENIWAL**  
Chairman & Managing Director



## HARIYANA SHIP-BREAKERS LIMITED

### AUDITORS' REPORT

#### TO THE MEMBERS OF HARIYANA SHIP-BREAKERS LIMITED

We have audited the attached Balance Sheet of Hariyana Ship-Breakers Limited as at 31st March, 1997 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto in which are incorporated the accounts of Bhavnagar Branch which have been audited by the Branch Auditors. We report as follows:

1. The Branch Auditors' report on the accounts of Bhavnagar Branch, referred to above, has been forwarded to us and we have considered the same in preparing this report.
2. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Sec. 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 & 5 of said Order.
3. Further to our comments in the Annexure referred to in paragraph (2) above.
  - (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 it appears from our examination of the books.
  - (c) The Balance Sheet and Profit & Loss Account dealt with by this report, are in agreement with the books of account of the Company.
  - (d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note No. 8 vide Schedule 22 regarding change in method of valuation of inventories and consequent overstatement of profit for the year by Rs. 10817455/- and read with other notes and accounting policies in Schedules 22 forming part of the Balance Sheet and Profit & Loss Account give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
    - (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 1997, and
    - (ii) in the case of Profit & Loss Account, of the Profit for the year ended on that date.

FOR K.K. KHADARIA & CO.  
CHARTERED ACCOUNTANTS

Place: Mumbai:  
Dated: 30.6.97

AJAY DAGA  
PARTNER

#### ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph (2) of our Report of even date)

- (i) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets. We were informed that all the assets have been physically verified by the Management during the year and no material discrepancies were noticed on such verification as compared with the said registers.
- (ii) None of the fixed assets have been revalued during the year.
- (iii) We are informed that stores and spares are purchased only as and when required for immediate consumption and are written off at the time of purchase. Hence, the question of physical verification thereof does not arise.  
In view of the nature of the raw materials (ships) purchased it is not possible to ascertain accurately the quantity of the stock as at the close of the year. In the circumstances the company has been following the practice of accounting for the quantity of raw materials purchased on the basis of weight of ship purchased (in tonnes) and the stock of raw material as at the close of the year is ascertained by reducing from this weight (in tonnes) the weight of the scrap sold together with the estimated wastage of the raw material incurred in scraping the material or in the event of the scraping having been completed in the year following the quantity of the stock is ascertained by taking into consideration the actual weight of the material sold in the year following.
- (iv) Subject to what is stated in para (iii) above the procedure of physical verification of stock followed by the management are reasonable and adequate in relation to the size and nature of the business.