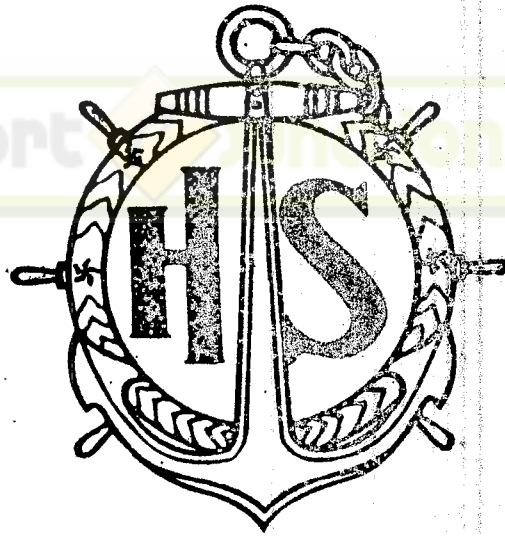


MD	✓		BKC	✓
CS	NA		DY	NA
RO	✓		DIV	NA
TRA	NA		AC	✓
AGM	✓	✓	SH	✓
YE	✓	✓		

# 17th Annual Report 1997 - 98



## Hariyana Ship-Breakers Ltd.

# HARIYANA SHIPBREAKERS LIMITED

<u>BOARD OF DIRECTORS</u>	Shri Shanti Sarup Reniwal Shri Rajeev Reniwal Shri Sanjeev Reniwal Shri Rakesh Reniwal Smt Sweety Reniwal
<u>AUDITORS</u>	Jain Seth & Co. Chartered Accountants Bhavnagar - 364 001
<u>BANKERS</u>	Punjab National Bank Ramwadi, Nr Bhidbanjan Bhavnagar - 364 001
<u>REGISTERED OFFICE</u>	41 Persepolis, Cuffe Parde, Mumbai - 400 005
<u>CORPORATE OFFICE</u>	302, Sylverton, 102, Wodehouse Road Colaba, Mumbai - 400 005
<u>BRANCH OFFICE</u>	Madhav Darshan, Waghawadi Road, Bhavnagar - 364 001
<u>SHIPBREAKING YARD</u>	Plot No.14, Alang shipbreaking Yard Alang, District : Bhavnagar
<u>FINANCIAL YEAR</u>	1997-98
<u>ASSESSMENT YEAR</u>	1998-99
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## HARIYANA SHIPBREAKERS LIMITED

### NOTICE

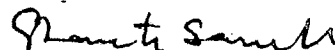
NOTICE is hereby given to the members of HARIYANA SHIPBREAKERS LIMITED, that the SEVENTEENTH Annual General Meeting of the company will be held at 17.00 hours on Saturday, the 31st October, 1998, at 302 Sylverton, 102 Wodehouse Road, Colaba, Mumbai, to transact the following business:

#### ORDINARY BUSINESS

1. To consider, approve and adopt the audited annual accounts for the year ended 31st March, 1998, together with the Directors' and Auditors' Report thereon.
2. a) To appoint a Director in place of Shri Shanti Swarup Reniwal, who is retiring by rotation and being eligible offers himself for reappointment.  
b) To appoint a Director in place of Smt. Sweety Reniwal, who is retiring by rotation and being eligible offers herself for reappointment.
3. To appoint Statutory auditors and to fix their remuneration.
4. To consider and if thought fit to pass with or without modification the following resolution as a special resolution.

RESOLVED THAT the consent of the Company be and is hereby given to the Board of Directors of the Company to delist the share and to cancel the Listing Agreement executed by the Company with the Ahmedabad Stock Exchange.

By Order of the Board of Directors



Shanti Sarup Reniwal  
Chairman & Managing Director

Place: Bhavnagar

Date : 28th September, 1998

#### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY, AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY 48 HOURS BEFORE THE START OF THE MEETING.
2. SINCE THERE IS NO SPECIAL BUSINESS, NO EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 IS ANNEXED HERETO.
3. THE REGISTER OF MEMBERS AND TRANSFER REGISTER WILL REMAIN CLOSED FROM 29TH OCTOBER 1998 TO 31ST OCTOBER, 1998 (BOTH DAYS INCLUSIVE).

## HARIYANA SHIPBREAKERS LIMITED

### EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956.

#### Item No.4

The Company's Shares are listed at Mumbai and Ahmedabad Stock Exchange. However at Ahmedabad Stock Exchange there is no trading of the shares and in view of the above, it is proposed to delist the shares at Ahmedabad Stock Exchange. The delisting of Shares at Ahmedabad Stock Exchange will not affect the shareholders, as the shares are listed at Bombay and where trading is taking place regularly.

None of the Directors are interested or concerned in the resolution.

By Order of the Board of Directors



Shanti Sarup Reniwal  
Chairman & Managing Director

Place: Bhavnagar

Date : 28th September, 1998

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## DIRECTORS' REPORT

To  
The Members  
Hariyana Shipbreakers Limited

The Directors are pleased to submit the ...th Annual Report together with the audited Accounts of the Company for the year ended 31st March, 1998.

### A. Financial Results

	(Rs. in Lakhs)	
	1997-98	1996-97
Profit before depreciation & tax	31.76	30.09
Depreciation	28.85	27.86
Profit after depreciation	2.91	2.23
Less: Provision for Tax	0.31	0.00
Profit after tax and depreciation	2.60	2.23
	=====	=====

### Dividend

In view of inadequate profit, your Directors do not recommend any dividend for the year ended on 31st March, 1998.

### Auditors

#### a) Appointments

M/s Jain Seth & Co. Chartered Accountants, Statutory Auditors of the 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.

#### b) Comments on Auditors Remark

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

### Income Tax Raid & Seizure of Records.

a) There was a search and seizure action by the Income Tax Department on the Company's premises during the month of September, 1997.

b) The Income Tax department has seized certain records of the Company. The Management has disclosed and offered for tax certain income and they are in the process of finalisation of 10 years block assessment returns.

- c) Your Directors estimate the tax liability of the Company to the tune of Rs.90 Lakhs. Such estimated tax liability would be met out of the income so disclosed and assets acquired thereof.
- d) Your attention is drawn to the note in schedules to the accounts.

#### Board of Directors

During the year Shri S M Jallan has resigned from the Board and in his place Smt Sweety R Reniwal has been appointed as Director.

Shri Shanti Swarup Reniwal and Smt Sweety R Reniwal retire by rotation and being eligible offers themselves for reappointment.

#### Particulars of Employees

There is no employee drawing the remuneration in excess of limits prescribed under section 217 (2A) of the Companies Act, 1956, read with Companies (particulars of Employees) Rules, 1975.

#### Information required under Section 217(1)(e) of the Companies Act

In accordance with the provisions of section 217 (1) (e) of the Companies Act, 1956, the required information relating to conservation of energy, technology absorption and foreign exchange earning and outgo is annexed hereto which is forming part of this report.

#### Industrial Relations

Industrial relations continued to be cordial throughout the year.

#### Performance v/s Projections.

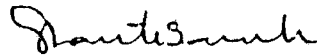
Particulars	Projected 1997-98 Rs in Lakhs	Actual 1997-98 Rs in Lakhs
Income	6378.75	5115.23
Profit before tax	549.70	2.91
Profit after tax	297.79	2.60
Earning per share	5.96	0.05

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

Acknowledgement

Your Directors place on record their appreciation for the continued support from the shareholders, investors, banks. Your Directors also like to thanks the customers, suppliers and employees.

For & on behalf of the Board of Directors



Shanti Sarup Reniwal  
Chairman & Managing Director

Place: Bhanvagar

Date : 28th September, 1998

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