

CERTIFIED TRUE COPY
FOR HARIYANA SHIP BREAKERS LTD.

Anandh
DIRECTOR.

21st ANNUAL REPORT 2001-2002



Hariyana Ship Breakers Ltd.

HARIYANA SHIP BREAKERS LIMITED

21st ANNUAL REPORT

FOR THE PERIOD ENDED ON 30th JUNE 2002

BOARD OF DIRECTORS

Shri Shanti Sarup Reniwal
Smt Lalitadevi Reniwal
Shri Rakesh Reniwal

ADUDITORS

Jain Seth & Co.
Chartered Accountants
Bhavnagar-364 001

BANKERS

Punjab National Bank
Foreshore Road Branch,
Mumbai-400 021

REGISTERED OFFICE

41, Persepolis,
Cuffe Parade,
Mumbai-400 005

BRANCH OFFICE

308, Madhav Darshan,
Waghwadi Road,
Bhavnagar-364 001

SHIPBREAKING YARD

Plot No.14,
Alang Shipbreaking Yard,
Alang,
District : Bhavnagar

FINANCIAL PERIOD ENDED

30th June, 2002

ASSESSMENT YEAR

2002-2003

CONTENTS

Notice
Directors Report
Auditors Report
Annual Accounts

HARIYANA SHIPBREAKERS LIMITED

Registered Office 41, Parnapalis, Cuffe Parade,
Mumbai - 400 005

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of Hariyana Ship Breakers Limited shall be held at 15.00 hours on Monday the 2nd December, 2002, at 302 Sylverton, 102 Wodehouse Road, Colaba, Mumbai - 400 005 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 30th June, 2002, along with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rakesh Reniwal, who is retiring by rotation and being eligible offers himself for reappointment.
3. To appoint auditors and fix their remuneration.
4. To appoint Practicing Company Secretary and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution.

RESOLVED that Smt Lalita Devi Reniwal, who was appointed as an additional Director pursuant to Section 260 of the Companies Act, 1956 and who holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

By Order of the Board of Directors

Shanti Sarup

Shanti Sarup Reniwal
Chairman & Managing Director

Place: Bhavnagar

Date: 23rd October, 2002

Notes:

1. A member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy, and the proxy need not be a member of the company. The proxy to be valid must be deposited with the company atleast 48 hours before the time of the meeting and must be duly stamped.
2. Explanatory statement pursuant to the provisions of section 173 (2a) of the companies act, 1956 is annexed hereto
3. The register of members shall remain closed from 1st Dec 2002 till 2nd Dec, 2002 (both days inclusive)

HARIYANA SHIPBREAKERS LIMITED

Registered Office 41, Persepolis, Cuffe Parade,
Mumbai - 400 005

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

* * * * *

Item No.5

The Board of Directors at their meeting held on 9th March 2002 has appointed Smt Lalita Devi Reniwal as Director and she hold office upto the ensuing Annual General Meeting. She is having vast experience in the business and her appointment is in the interest of the company and the Board recommend adoption of the resolution.

All the Directors of the Company are concerned or interested in the resolution.

By Order of the Board of Directors



Shanti Sarup Reniwal
Chairman & Managing Director

Places Bhavnagar

Date : 23rd October, 2002

DIRECTORS' REPORT

To
The Members
Hariyana Shipbreakers Limited

The Directors are pleased to submit the 21st Annual Report together with the audited Accounts of the Company for the period ended 30th June, 2002. Company has extended the accounting period to 15 months and the financial results are for 15 months period against 12 months for the previous year.

A. Financial Results

	(Rs. in Lakhs)	
	Current period of 15 months ended on 30.06.02	Previous year ended on 31.03.01
Turnover	7645.86	5341.37
Profit before depreciation & tax	96.74	70.42
Depreciation	39.46	32.28
Profit after depreciation	57.28	38.14
Less: Provision for Tax	12.61	3.26
Less: Adjustment for deferred tax	2.40	0.00
Profit after tax and depreciation	42.27	34.88

The Company is carrying on the business of ship breaking and money lending activities and during the year under review the company has achieved growth in both the activities.

Dividend

In view of inadequate profit and also requirement of funds for long term working capital need of the company, the Directors do not recommend any dividend for the period ended on 30th June, 2002

Responsibility Statement

The Directors confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- b) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c) that they 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.

d) that they have prepared the annual accounts on a going concern basis.

Board of Directors

During the year Smt Lalitadevi Reniwal has joined the Board as Director and Shri Rajeev Reniwal has resigned from the Board. There is no other change in the Board of Directors of the Company. Shri Rakesh Reniwal retire by rotation and being eligible offers himself for reappointment.

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 Auditors Report are self explanatory and therefore, do not call for any further, comments under section 217(3) of the Companies Act, 1956.

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.

Corporate Governance

Your company has been practicing the principles of good corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

a) Composition of Board of Directors

The existing Board have three Directors having vast experience in the line of activities.

b) Responsibilities

The Board has a formal schedule of matters reserved for its consideration and decision which includes reviewing corporate performance, ensuring adequate availability of financial resources and reporting to shareholders. During the year under review the board met six times. The Board members ensure that their other responsibilities do not materially impact on their responsibilities as a Director of the Company.

c) Board Committees

To enable better and more focussed attention on the affairs of the Company, the board delegates particular matter to the committees of the Board set for the purpose. The two core committees which have been constituted during the course of the year are (i) Audit Committee and (ii) Shareholder and Investor grievance Committee.

d) Audit Committee

The Audit Committee comprises of Shri Shanti Swarup Reniwal, Chairman & Managing Director and Smt Lalita Devi Reniwal, Director. The role, terms of reference and the authority and powers of the Audit Committee are in conformity with the requirement of the Companies Act, 1956 and the listing agreement.

e) Shareholder/Investor Grievance Committee

The shareholder/inventory grievance committee comprises of Shri Shanti Swarup Reniwal and Smt Lalita Devi Reniwal. This committee is vested with the requisite powers and authorities to specially look into the redressal of shareholder and inventory grievance.

f) Compliance Officer

In terms of the Listing Agreement requirement, consequent upon resignation of Shri Rajeev Reniwal, Shri Shanti Swarup Reniwal has been appointed as the Compliance Officer.

Compliance Report

The Company does not have a full time Company Secretary as required under section 383-A of the Companies Act, 1956. However the Company maintained all the records and complied with the requirement of all the provisions of the Companies Act 1956 and has obtained a Compliance Report from a practicing Company Secretary, which is annexed hereto.

Listing of Shares

The Shares of the Company are listed at Mumbai Stock Exchange and the listing fee has been paid upto date.

Industrial Relations

Industrial relations continued to be cordial throughout the year.

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

Shanti Sarup Reniwal
Chairman & Managing Director

Place: Bhavnagar

Date : 23rd October, 2002

Report  Junction.com

ANNEXURE - I

Information as per section 217 (1) (e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rule 1988 and forming part of the Director's Report for the period ended on 30th June, 2002.

A. Conservation of Energy

Since the Company uses modern equipment, the company does not have any plan for 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 & Development is being worked out.

2. Technology Absorption

The company has not imported any technology for its plant.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

Members are requested to refer to Schedule of Notes forming part of the Profit & Loss Account for the period ended on 30th June, 2002.

For & on behalf of the Board of Directors



Shanti Sarup Reniwal
Chairman & Managing Director

Place: Bhavnagar

Date : 23rd October, 2002