

48^{ème} RAPPORT ANNUEL 1997-98

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48TH ANNUAL REPORT 1997 - 98

The Shipping Corporation of India (SCI) is a true global citizen. By virtue of its size and reach, SCI has become the roving ambassador of India. Through its versatile fleet, SCI reaches every nook and corner of the globe. Thus, cutting across the barriers of caste, creed and language, SCI blends into the global village perfectly. This year's Annual Report cover echoes this universality of India's largest shipping company.

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BOARD OF DIRECTORS



Shri M. Ramachandran



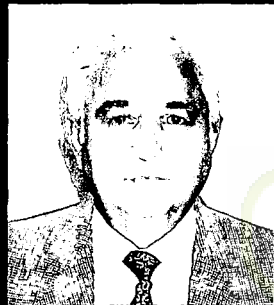
Shri M. P. Pinto



Shri Ashoke Joshi



Shri M. J. Subbaiah



Shri B. M. Ghildiyal



Shri P. K. Srivastava
Chairman & Managing Director



Shri K. K. Kothari



Dr. P. Vijayan



Shri S. S. Rangnekar



Shri K. K. Palit



Shri K. M. Joseph

Company Secretary
Shri S. Ramamoorthy

Auditors:
Messrs. Sorab S. Engineer & Co.
Messrs. S. Mann & Co.

Solicitors
Messrs. Mulla & Mulla &
Craigie Blum & Coe

Registered Office: Shipping House, 245, Madame Cama Road, Mumbai 400 021

NOTICE OF MEETING

NOTICE is hereby given that the 48th Annual General Meeting of the Shipping Corporation of India Ltd. will be held on Friday, the 4th December, 1998 at 3.30 p.m. at the Registered Office of the Company at "Shipping House", 245, Madame Cama Road, Mumbai - 400 021, to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as on 31st March, 1998, Profit & Loss Account for the year ended on that date and Reports of Auditors and Directors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri K.K. Kothari who retires at this meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri B.M. Ghildiyal who retires at this meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. To appoint a Director in place of Shri K.M. Joseph who under Article 125 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 holds office only upto the date of this Annual General Meeting and from whom the Company has received a notice in writing signifying his candidature to the office of Director and who is eligible for appointment.
6. To appoint a Director in place of Shri M.J. Subbaiah who under Article 125 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 holds office only upto the date of this Annual General Meeting and from whom the Company has received a notice in writing signifying his candidature to the office of Director and who is eligible for appointment.
7. To appoint a Director in place of Dr. P. Vijayan who under Article 125 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 holds office only upto the date of this Annual General Meeting and from whom the Company has received a notice in writing signifying his candidature to the office of Director and who is eligible for appointment.

By Order of the Board of Directors
for The Shipping Corporation of India Ltd.

S. Ramamoorthy
Company Secretary

Registered Office :
Shipping House,
245, Madame Cama Road,
Mumbai 400 021.

Dated : 29th October, 1998.

**NOTICE
OF MEETING****Notes :**

- a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.
- b) Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item Nos. 5 to 7 of the Notice set out above is annexed hereto.
- c) The Register of Members and the Share Transfer Books of the Company were closed from 16.9.1998 to 29.9.1998 (both days inclusive).
- d) Dividend if any declared, at this meeting, will be paid on or after 24th December, 1998 to those shareholders of the Company whose names stand on the Register of Members on 29th September, 1998.
- e) Members are requested to notify immediately any change in their address to the Share Transfer Agents of the Company at the following address :

Intime Share Services Pvt. Ltd.

260-A, Shanti Industrial Estate,

Sarojini Naidu Road,

Mulund (W),

Mumbai - 400 080.

- f) The un-claimed dividend for the financial year ended 31st March, 1994 declared by the Company has been transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. The Company has informed the Member concerned about the particulars of the un-claimed dividend requesting him to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.

**ANNEXURE TO
THE NOTICE**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

The following explanatory statement sets out all the material facts relating to special business mentioned in Item Nos. 5 to 7 of the accompanying Notice dated 29 October, 1998, convening the 48th Annual General Meeting of the Company.

Item No. 5 of the Notice

The Company has received a notice in writing from Govt. of India, Ministry of Surface Transport, conveying the nomination of Shri K.M. Joseph by the President of India for appointment as Director, for a period of five years or till the date of his superannuation, whichever is earlier. Accordingly, Shri K.M. Joseph was appointed as Additional Director by the Board of Directors pursuant to the powers vested in them. In accordance with Section 260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting.

In view of his vast experience and knowledge in management, technical and other allied subjects, it is recommended that in the interest of the Company, Shri K.M. Joseph may be appointed as Director.

Shri K.M. Joseph is interested in the resolution as it concerns him. No other Director is interested in the resolution.

Item No. 6 of the Notice

The Company has received a notice in writing from Govt. of India, Ministry of Surface Transport, conveying the nomination of Shri M.J. Subbaiah by the President of India for appointment as Director, for a period of three years. Accordingly, Shri M.J. Subbaiah was appointed as Additional Director by the Board of Directors pursuant to the powers vested in them. In accordance with Section 260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting.

Shri M.J. Subbaiah is a banker by profession with vast experience and knowledge in shipping industry and financing of infrastructure projects and other allied subjects and hence, it is recommended that in the interest of the Company, he may be appointed as Director.

Shri M.J. Subbaiah is interested in the resolution as it concerns him. No other Director is interested in the resolution.

Item No. 7 of the Notice

The Company has received a notice in writing from Govt. of India, Ministry of Surface Transport, conveying the nomination of Dr. P. Vijayan by the President of India for appointment as Director, for a period of three years. Accordingly, Dr. P. Vijayan was appointed as Additional Director by the Board of Directors pursuant to the powers vested in them. In accordance with Section

ANNEXURE TO
THE NOTICE

260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting.

In view of his vast knowledge in labour management, labour relations and human resource development and other allied subjects, it is recommended that in the interest of the Company, Dr. P. Vijayan may be appointed as Director.

Dr. P. Vijayan is interested in the resolution as it concerns him. No other Director is interested in the resolution.

S. Ramamoorthy
Company Secretary

Registered Office :

Shipping House,
245, Madame Cama Road,
Mumbai 400 021.

Dated : 29th October, 1998.

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SALIENT STATISTICS 1997-98

Authorised Capital	Rs. 450.00 Crores
Subscribed and Paid-up Capital	Rs. 282.30 Crores
Depreciation Provision	Rs. 249.75 Crores
Gross Earnings	Rs. 2521.49 Crores
Gross Investment on Fleet	Rs. 4949.45 Crores
No. of Voyages made	1005
No. of Passengers carried (including managed vessels)	1,98,463
No. of Employees (including crew) (30th Sept., 1998)	11435

Vessels Owned (As on 30th Sept., 1998)

— Number	116
— Tonnage	2.97 Million GRT
	4.99 Million DWT

Vessels on Order

— Number	5
— Tonnage	0.142 Million GRT
	0.230 Million DWT

DECADE AT A GLANCE

OPERATIONAL STATISTICS

(Figures in Crores of Rupees)

	1988-89 (9Months Period)	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
Operating Earnings	657.0	1,008.4	1,105.1	1,328.8	1,404.7	1,480.3	1,722.0	2,114.0	2,270.0	2,414.5
Other income	33.8	51.6	46.0	52.3	94.5	100.1	84.9	134.4	172.0	107.0
Total Earning	690.8	1,060.0	1,151.1	1,381.1	1,499.2	1,580.4	1,806.9	2,248.4	2,442.0	2,521.5
Operating Expenses	446.0	703.9	853.2	980.7	1,055.1	1,063.2	1,178.3	1,386.7	1,603.4	1,754.3
Other Expenses	40.3	56.1	61.2	68.1	76.9	105.0	103.4	144.0	129.6	129.7
Interest & Finance Charges	65.2	72.8	71.0	86.9	84.2	83.7	130.3	161.9	200.0	86.5*
Depreciation	73.8	105.1	111.2	137.8	148.4	161.3	193.5	232.4	235.7	249.8
Tax Liability	11.0	21.0	0.0	(1.3)	(8.5)	(0.4)	0.0	0.0	40.0	55.0
Total Expenses	636.3	958.9	1,096.6	1,272.2	1,356.1	1,412.8	1,605.5	1,925.0	2,208.7	2275.3
Profit after Tax	54.5	101.1	54.5	108.9	143.1	167.6	201.4	323.4	233.3	246.2

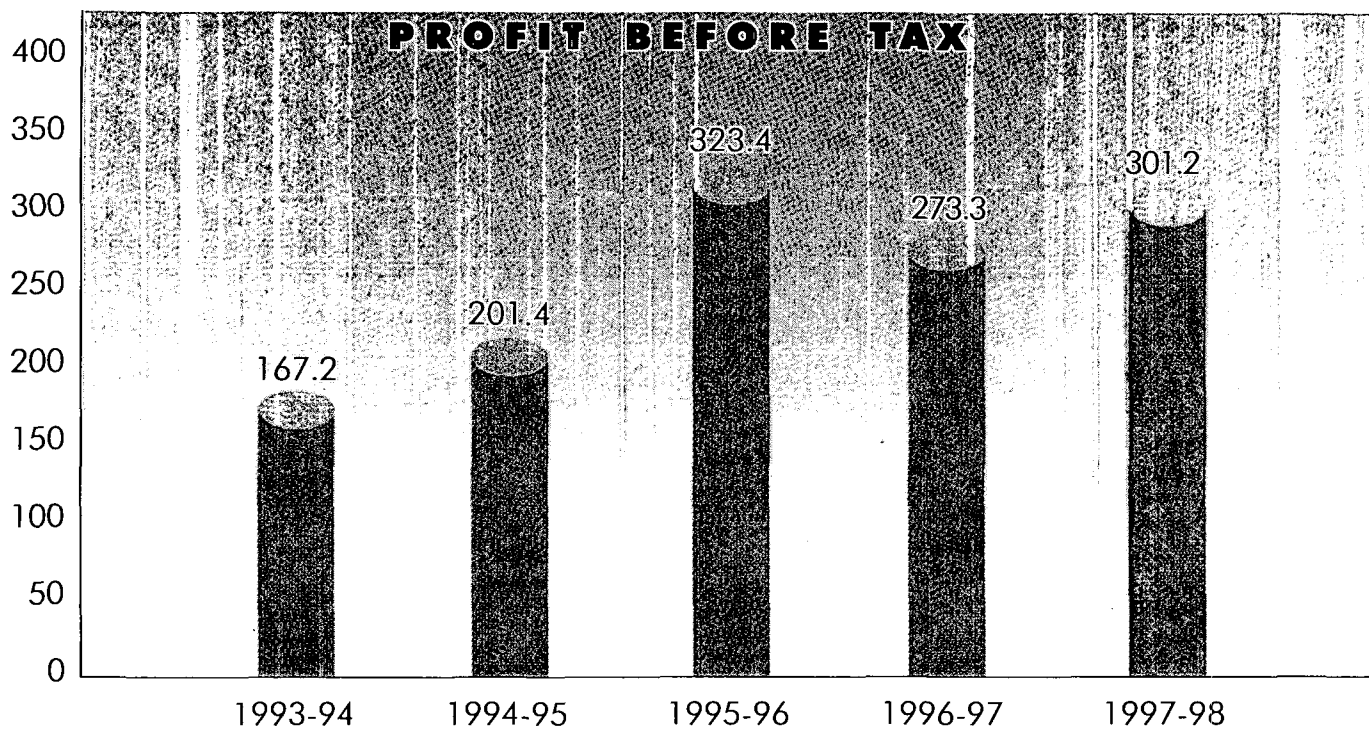
*Net

FINANCIAL HIGHLIGHTS :

(Figures in Crores of Rupees)

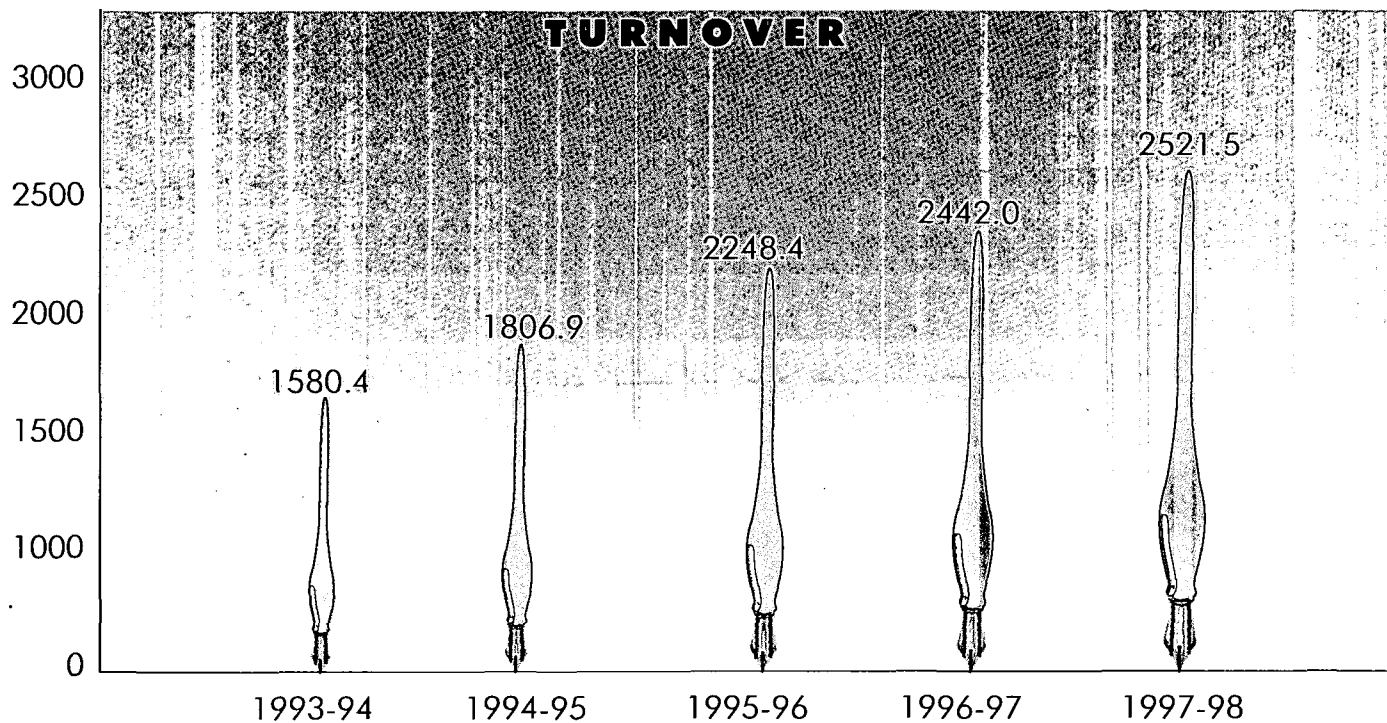
	31.03.89	31.03.90	31.03.91	31.03.92	31.03.93	31.03.94	31.03.95	31.03.96	31.03.97	31.03.98
WHAT THE COMPANY OWNED										
Fixed Assets										
Gross Block	1,887.8	1,984.5	2,129.2	2,599.7	2,742.2	3,442.7	4,058.9	4,459.3	4,562.0	4,782.3
Less: Depreciation (Cum)	695.2	798.9	878.8	1,003.1	1,113.7	1,244.9	1,414.7	1,593.9	1,796.1	2,014.2
Net Block	1,192.6	1,185.6	1,250.4	1,596.6	1,628.5	2,197.8	2,644.2	2,865.4	2,765.9	2,768.1
Assets under Construction	141.4	184.5	217.9	186.3	196.9	142.7	95.6	66.0	151.3	239.3
Ships Retired from Operation	2.3	0.0	14.0	14.1	6.6	0.1	0.0	0.3	0.0	0.0
Working Capital	130.7	152.1	147.7	230.2	192.7	285.6	263.0	564.2	463.7	522.5
Investments	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Total	1,467.5	1,522.6	1,630.4	2,027.6	2,025.1	2,626.6	3,003.2	3,496.3	3,381.3	3,530.3
WHAT THE COMPANY OWED										
Long Term Funds:										
SDFC/Govt. Loans	647.0	534.4	589.8	677.4	678.0	637.6	610.8	580.9	553.3	498.7
Bank Loans	180.4	140.3	133.7	219.3	279.5	416.0	627.9	638.6	537.0	603.3
Mumbai Port Trust	0.0	0.0	0.0	0.0	0.0	0.0	0.0	67.6	67.6	67.6
Deferred Credits	450.3	380.2	377.1	513.8	348.0	731.3	752.5	881.9	783.8	707.0
Unsecured Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	54.2	0.0	24.9
Total	1,277.7	1,054.9	1,100.6	1,410.5	1,305.5	1,784.9	1,991.2	2,223.2	1,941.7	1,901.5
NET WORTH OF THE COMPANY										
Share Capital	70.2	261.2	282.3	282.3	282.3	282.3	282.3	282.3	282.3	282.3
Reserve & Surplus	123.0	212.8	254.1	346.1	461.0	586.2	754.7	1,021.3	1,192.2	1,376.1
Deferred Revenue Expenditure	(3.4)	(6.3)	(6.6)	(11.3)	(23.7)	(26.8)	(25.0)	(30.5)	(34.9)	(29.6)
Total	189.8	467.7	529.8	617.1	719.6	841.7	1,012.0	1,273.1	1,439.6	1,628.8
Dividend paid	-	11.3	13.1	16.9	28.2	42.3	42.3	56.5	56.5	**56.5

** Proposed Dividend



(Figures in Rs. Crores)

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(Figures in Rs. Crores)