

**Ruia  
Aquaculture  
Farms Ltd.**



**7<sup>TH</sup>  
ANNUAL REPORT  
1998 - 99**

# **7<sup>TH</sup> ANNUAL REPORT**

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## **BOARD OF DIRECTORS**

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**Mr. Shyamsunder G. Ruia**  
*Chairman Emeritus*

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**Mr. Sharad S. Ruia**  
*Chairman*

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**Mr. Kamal S. Ruia**  
*Managing Director*

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**Mr. Pradeep S. Ruia**  
*Director*

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### **BANKERS**

*Bank of Baroda*

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### **REGISTERED OFFICE :**

*101/3, Kedia Chambers,  
S.V. Road, Malad (West),  
Mumbai - 400 064.*

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Notice is hereby given that the 7th Annual General Meeting of the members of RUIA AQUACULTURE FARMS LIMITED will be held on Wednesday, the 29th day of September, 1999 at 11.00 a.m. at Bageecha Restaurant and Banquet Centre, Bageecha Complex, Marve Road, Malad (W), Mumbai 400 095 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date, together with the Auditors' Report and Directors' report thereon.
2. To appoint a Director in place of Mr. Sharad Ruia, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Pradeep Ruia who holds office as an Additional Director under Section 260 upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company"

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday 28th September, 1999 to Wednesday 29th September, 1999 (both days inclusive).
3. Shareholders are requested to intimate to the Registrars and Share Transfer Agents viz. Online Share Management Services Limited, Bandra Hill View Cooperative Society Limited, 3rd floor, Behind Robinson Departmental Stores, 85, Hill Road, Bandra (West) Mumbai 400 050 immediately for change of address, if any, for updation of records.

By Order of the Board:  
For RUIA AQUACULTURE FARMS LIMITED:

Place: Mumbai  
Date: 04. September 1999

**Sharad Ruia**  
Chairman.

**Explanatory Statement**

Pursuant to Section 173(2) of the Companies Act, 1956.

**Item No. 4**

You may be aware that Shri Pradeep Ruia was appointed as Additional Director of the company under Section 260 of the Companies Act, 1956 to hold office upto the date of this Annual General Meeting. The Company has received a notice from a Member pursuant to Section 257 of the Companies Act proposing Shri Pradeep Ruia as Director of the Company at the ensuing Annual General Meeting. The Company has immensely benefited from the contribution made by him and therefore recommend his appointment as a Director at the forthcoming Annual General Meeting.

Shri Kamal Ruia and Shri Sharad Ruia being related to Shri Pradeep Ruia, are interested and concerned in the Resolution.

**By order of the Board**

For RUIA AQUACULTURE FARMS LTD.,

Place: Mumbai  
Date: 04 September 1999

**Sharad Ruia**  
Chairman

**DIRECTORS' REPORT**

The Members

Your Directors hereby present their 7th Annual Report and Audited Account for the year ended on 31st March 1999.

**1. FINANCIAL RESULTS**

	1998-99 (Rs.in Lacs)	1997-98 (Rs. in Lacs)
Sales and other income (net)	1.21	1.21
GROSS PROFIT /(LOSS)	(60.22)	(6.16)
Less: Depreciation	-	-
Interest	-	-
PROFIT/(LOSS) BEFORE TAX	(60.22)	(6.16)
Add: Surplus from previous year	(215.40)	(221.69)
Profit & Loss Adjustment	10.26	12.45
BALANCE CARRIED TO BALANCE SHEET	(266.00)	(215.40)

**2. DIVIDEND**

In view of the carry forward losses by the Company during the year under review, your Directors do not recommend any dividend on the equity shares for the year ended March 31, 1999.

**3. OPERATIONS**

During the year under review, the Company did not undertake any commercial production of its crops and continued crop holidays. The Company has capitalised the entire operating cost in view of no commercial activity having been undertaken..

**4. OUTLOOK**

Farms under production still continue to get effected by the viral infection. The Company has entered into an arrangement with M/s. Shakti Aquaculture Farms Limited to cultivate the farm wherein Shakti Aquaculture Farms Ltd will bring the requisite working capital required to operate the farm and share the risk/profit of the business operations.

**5. FIXED DEPOSIT**

The Company has not accepted any Fixed Deposit from the Public during the year.

**6. INSURANCE**

The Company has made adequate arrangements for insuring its properties and assets against fire and other probable risks. However, the Insurance Companies have stopped insuring the crops-in-process in view of the continuous failure of insured crops throughout the country during the previous year.

**7. DIRECTORS**

Pursuant to Article 110 of the Articles of Association of the Company, Shri Sharad Ruia retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Shri S.D. Mahale and Shri M.U. Pandey have submitted their resignation as Nominee Director and Director of the Company. Your Directors place on record their sincere appreciation and thanks for the guidance given by these two Directors during their tenure. Further, Shri Pradeep Ruia has been appointed as an Additional Director of the Company. In view of the losses by the Company during the year under review, the Managing Director has not accepted any remuneration from the Company.

**3. AUDITORS' REPORT**

As regard to the qualifications of the auditors in their report regarding Non-provision of Interest on Term Loan and Working Capital Loan, Non-recognition of interest on Bank Deposit, capitalisation of expenses, non provision of depreciation, Not writing off deferred revenue expenditure, Non-Writing off preliminary expenditure and share issue expenses, your directors have to say that Notes no 5, 6, 7, 10 & 11 of the Notes to the Accounts which deals respectively with the said qualifications are self-explanatory and hence does not require any further explanation.

**9. AUDITORS**

During the year, M/s. Sunderlal Desai and Kanodia, Chartered Accountants have submitted their resignation on 10.8.99 and expressed their inability to audit the accounts of the company for the year 1998-99.

The casual vacancy in the office of Auditors caused by resignation of M/s. Sunderlal Desai and Kanodia, Chartered Accountants is filled at the Extra Ordinary General Meeting held on 4th September 1999, appointing M.s Kailash Chand Jain & Co., Chartered Accountants. M/s. Kailash Chand Jain & Co., will retire at the ensuing Annual General Meeting.

**10. ENERGY CONSERVATION & TECHNOLOGY ABSORPTION**

The activities of the Company do not involve much use of energy and hence cost of energy does not form a major part of the Company's total cost of production. However, efforts for optimum utilisation and conservation of energy is being carried out by the Company.

**11. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, the Company has not spent any amount on account of foreign exchange outgo. Further, no foreign exchange was earned.

**12. PARTICULARS OF EMPLOYEES**

There are no employees whose particulars are required to be given pursuant to the provisions of Sub-section 217 of the Companies act, 1956 read with the Companies (particulars of employees) Rules, 1975.

**13. PROMISE V/S PERFORMANCE ( IN TERMS OF CLAUSE 43 OF THE LISTING AGREEMENT)**

As required under clause 43 of the Listing Agreement with Stock Exchanges, comparison of promise as given in the Company's Prospectus dated 28th March, 1994 and actual performance by the Company is given herein below:

	1998-99	
	Projected (Rs. in lacs)	Actual (Rs. in lacs)
Sales and other income	1020.00	1.21
Profit/(Loss) after tax	294.95	(60.22)

14. All hardware and software used by the company are Y2K compliant.

**15. APPRECIATION**

Your Directors place on record, their appreciation for the dedicated services offered by the Officers, Employees and Workers at all levels during the year under review.

Your Directors also express their gratitude for the cooperation and assistance extended by Bank of Baroda and the shareholders of the Company whom your Directors wish to thank for their unstinted support.

**By order of the Board**

For RUIA AQUACULTURE FARMS LTD

Place: Mumbai  
Date: 04th September 1999

**Sharad Ruia**  
Chairman



**Auditors Report**

To,

The Members of  
Ruia Aquaculture Farms Limited

We have audited the Annexed Balance Sheet of Ruia Aquaculture Farms Limited as at 31st March 1999 and also the Profit and Loss Account for the period ended on that date and report as under:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in the paragraphs 4 & 5 of the said order:
2. Further to our Comments in the Annexure referred to in Paragraph (1) above we report that:
  - 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 the law have been kept by the Company so far it appears from the examination of the Books.
  - c) The Balance Sheet and the Profit and Loss Account dealt with by the report are in agreement with the Books of Accounts.
  - d) In our opinion the Profit and Loss Account and the Balance Sheet comply with the Accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e) In our opinion and to the best of our information and according to the explanation given to us and together with notes thereon, subject to Note No. 5 and Note No.6, No. 7, No.10, No.11 and No. 12 regarding non-provision of interest on Term Loan and working capital loan, non-recognition of interest on Bank Deposit and provision of Depreciation, capitalisation of expenses, not writing of deferred revenue expenditure, not writing of Preliminary expenses and not writing of Share issue expenditure respectively give that the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
    - (1) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 1999.
    - (2) In the case of Profit and Loss account of the loss for the year ended on that date.

Place: Mumbai

Date : 04th September 1999

**For KAILASH CHAND JAIN & Co.,  
Chartered Accountants**

**(H.K. PANDA)  
Partner**

**Annexure to the Auditor's Report**  
Referred in paragraph (1) of the Auditor's Report

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, all the assets have been physically verified by the Management during the year. Having regard to the size of the operations and on the basis of explanations received, in our opinion no serious discrepancies have been noticed.
2. None of the fixed assets have been revalued during the year.
3. During the year no commercial activity was undertaken and there was no opening & closing stock and there was no purchase, sale of finished goods, raw materials, store & spare parts. Hence we do not have any comment on para 4(III), (IV), (V), (VI).
4. The Company has not taken unsecured loans, during the year from Companies, firms or other parties listed in the registers maintained under Section 301 and/or the companies under the same management as defined under sub-section (1B) of Section 370 of the said Act and terms & conditions of such loans are not prima facie prejudicial to the interest of the Company.
5. The Company has not given loans or advances in nature of loans to any party.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of stores and spare parts, plant and machinery, equipment, other assets and/or the sale of goods.
7. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services in pursuance of contracts of arrangements entered in the Registers maintained under Section 301 of the Companies Act, 1956 aggregating to Rs.50,000/- or more during the period has been made at prices which are reasonable having regard to the prevailing market prices for such goods, materials or services.
8. In our opinion and according to the information and explanations given to us, the Company has complied with provision of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, with regard to the deposits accepted from public.
9. In our opinion, the Company has adequate internal audit system commensurate with its size and nature of the business.
10. We have been informed by the Management that the Central Government has not prescribed maintenance of Cost Records under Section 209 (1)(d) of the Companies Act, 1956
11. According to the information and explanations given to us, the provision of the Provident Fund, Employees State Insurance Acts are not applicable to the Company.
12. There are no undisputed amounts in respect of Income Tax, Sales Tax, Customs Duty and Excise Duty outstanding as on 31st March 1999 for a period of more than six months from the date they become payable.

13. In our opinion and according to the information and explanations given to us, no personal expenses have been charged to revenue account.
14. The Company is not a sick Industrial Company within the meaning of Clause (O) of Sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986).
15. Other clause of the said order is not applicable.

Place : Mumbai  
Date : 04th September 1999

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**

**(H.K. PANDA)**  
**Partner**

**BALANCE SHEET AS AT 31ST MARCH 1999**

	Sch. no.	As at 31.3.99 Rupees In Lacs	As at 31.3.98 Rupees In Lacs
<b>SOURCES OF FUNDS</b>			
<b>1. SHAREHOLDERS FUNDS</b>	<b>1</b>	<b>500.00</b>	<b>500.00</b>
<b>2. RESERVES &amp; SURPLUS</b>	<b>2</b>	<b>18.50</b>	<b>18.50</b>
<b>3. LOAN FUNDS</b>			
Secured Loans	<b>3</b>	<b>707.17</b>	<b>707.17</b>
Unsecured Loans	<b>4</b>	<b>150.44</b>	<b>149.45</b>
<b>TOTAL</b>		<b>1376.11</b>	<b>1375.28</b>
<b>APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>			
Gross Block	<b>5</b>	<b>1088.72</b>	<b>1137.23</b>
Less: Depreciation		<b>35.17</b>	<b>35.17</b>
Net Block		<b>1053.55</b>	<b>1102.06</b>
<b>2. INVESTMENT IN PARTNERSHIP FIRM</b>		<b>0.05</b>	<b>0.05</b>
<b>3. CURRENT ASSETS</b>			
<b>LOANS &amp; ADVANCES</b>			
Sundry Debtors	<b>6</b>	<b>6.16</b>	<b>65.17</b>
Cash & Bank Balances	<b>7</b>	<b>3.81</b>	<b>5.72</b>
Loans & Advances	<b>8</b>	<b>25.24</b>	<b>17.63</b>
		<b>35.21</b>	<b>88.52</b>
<b>LESS: CURRENT LIABILITIES AND PROVISIONS</b>			
Current Liabilities	<b>9</b>	<b>28.44</b>	<b>80.49</b>
<b>NET CURRENT ASSETS</b>		<b>6.77</b>	<b>8.03</b>
<b>4. MISCELLANEOUS EXPENDITURE</b>	<b>10</b>	<b>315.74</b>	<b>265.14</b>
<b>TOTAL</b>		<b>1376.11</b>	<b>1375.28</b>
Notes to Accounts	<b>13.</b>		
As per our report of even date attached			
For <b>KAILASH CHAND JAIN &amp; CO.</b> Chartered Accountants			
(H.K. PANDA)			
Place: Mumbai Date: 4th September 1999			
			For and on Behalf of Board of Directors
			<b>KAMAL RUIA -Managing Director</b>
			<b>SHARAD RUIA - Director</b>
			Place: Mumbai Date: 4th September 1999

## Profit and Loss Account for the year ending 31st March 1999

	Sch. no.	As at 31.3.99 Rupees In Lacs	As at 31.3.98 Rupees In Lacs
<b>INCOME</b>			
Other Income	11	1.21	1.21
		<u>1.21</u>	<u>1.21</u>
<b>EXPENDITURE</b>			
Cost of Sales			
Manufacturing, Selling & Administrative Expenses	12	(-) 61.43	(-) 7.37
		<u>(60.22)</u>	<u>(6.16)</u>
Profit/(Loss) before Tax			
Provision for Tax		-	-
Profit and Loss after Tax		(60.22)	(6.16)
Brought forward from earlier year(s)		(215.40)	(221.69)
Profit & Loss Adjustment (Prior Period Adjustment)		(0.64)	-
Add: Excess provision of earlier year written off		10.26	12.45
Balance Carried to Balance Sheet		(266.00)	(215.40)
Notes to Accounts	13		

As per our report of even date  
attached.

For KAILASH CHAND JAIN & CO.  
Chartered Accountants

(H.K.PANDA)  
Partner

Place: Mumbai  
Date 4th September 1999

For and on Behalf of Board of Directors

KAMAL RUIA - Managing Director

SHARAD RUIA - Director

Place: Mumbai  
Date: 4th September 1999

**SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST  
MARCH 1999**

	As at 31.3.99 Rupees In Lacs	As at 31.3.98 Rupees In Lacs
<b>SCHEDULE 1 :</b>		
<b>SHAREHOLDERS FUNDS</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
55,00,000 (55,00,000) Equity Shares of Rs.10/- each	550.00 =====	550.00 =====
Issued, Subscribed and Paid-up		
50,00,000 (50,00,000) Equity Shares of Rs. 10/- each	500.00 ----- 500.00 =====	500.00 ----- 500.00 =====
<b>SCHEDULE 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>CAPITAL RESERVE</b>		
Subsidy from SICOM	17.00	17.00
Subsidy from MPEDA	1.50	1.50
	----- 18.50 =====	----- 18.50 =====
<b>SCHEDULE 3</b>		
<b>SECURED LOANS</b>		
(See Note 3 of Schedule 13)		
From Bank of Baroda (including Interest accrued)		
Term Loan	586.49	586.69
Working Capital Demand Loan	120.68	120.64
	----- 707.17 =====	----- 707.33 =====
<b>SCHEDULE 4</b>		
<b>UNSECURED LOANS</b>		
From Corporate Bodies	15.44	14.45
From Others	135.00	135.00
	----- 150.44 =====	----- 149.45 =====

**RUIA AQUACULTURE FARMS LIMITED.****SCHEDULE - 5****FIXED ASSET AT COST RS.IN LAKHS**

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS ON 01.04.98	ADDITIONS	DELETIONS	AS ON 01.04.99	OP. BAL	FOR THE YEAR	TOTAL	AS ON 01.04.98	AS ON 01.04.99
LEASEHOLD LAND	10.59			10.59		--		10.59	10.59
FREEHOLD LAND	89.05			89.05		--		89.05	89.05
BUILDINGS	562.56	0.88		563.44	17.31	--	17.31	545.25	546.13
LEASEHOLD OFFICE PREMISES	75.00		50.00	25.00		--		75.00	25.00
PLANT & MACHINERY	290.83	0.45		291.28	11.91	--	11.91	278.92	279.37
FURNITURE & FIXTURE	32.49	0.05		32.54	1.81	--	1.81	30.68	30.73
COMPUTER & PERIF.	2.37			2.37	0.35	--	0.35	2.02	2.02
VEHICLES	7.86	0.01		7.87	1.49	--	1.49	6.37	6.38
ELECTRIAL INSTALL.	66.48	0.10		66.58	2.30	--	2.30	64.18	64.28
Total :	1137.23	1.49	50.00	1088.72	35.17	--	35.17	1102.06	1053.55

**Ruia Aquaculture Farms Ltd.****7th Annual Report**

	As at 31.3.99 Rupees In Lacs	As at 31.3.98 Rupees In Lacs
<b>SCHEDULE 6</b>		
<b>SUNDRY DEBTORS (UNSECURED &amp; CONSIDERED GOOD)</b>		
- more than 6 months	6.16	65.17
- Others	--	--
	<u>6.16</u>	<u>65.17</u>
	=====	=====
<b>SCHEDULE 7</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash on Hand	0.00	1.29
Balances with Scheduled Banks in Current Accounts	0.14	0.16
Margin Monies	3.67	4.27
	<u>3.81</u>	<u>5.72</u>
	=====	=====
<b>SCHEDULE 8</b>		
<b>LOANS &amp; ADVANCES</b> (Unsecured & considered good)		
Deposits	2.33	2.33
Advances recoverable in cash or kind for value to be received	22.91	15.30
	<u>25.24</u>	<u>17.63</u>
	=====	=====
<b>SCHEDULE 9</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	12.16	14.43
Other Liabilities	0.98	1.58
Current Account with partnership firm	15.30	64.48
	<u>28.44</u>	<u>80.49</u>
	=====	=====
<b>SCHEDULE 10</b>		
<b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)		
Preliminary Expenditure	3.37	3.37
Share Issue Expenditure	18.48	18.48
Deferred Revenue Expenditure	27.89	27.89
Profit and Loss Account	266.00	215.40
	<u>315.74</u>	<u>265.14</u>
	=====	=====



**Ruia Aqaculture Farms Ltd.****7th Annual Report****SCHEDULES ATTACHED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT**

	For the Year ended 31.3.99 Rs.In Lacs	For the Year ended 31.3.98 Rs. In Lacs
<b>SCHEDULE 11</b>		
<b>OTHER INCOME</b>		
Rent Received	1.20	1.20
Miscellaneous Income	0.01	0.01
	<u>1.21</u>	<u>1.21</u>
	=====	=====
<b>SCHEDULE 12</b>		
<b>MANUFACTURING ,SELLING &amp; ADMINISTRATION EXPENSES.</b>		
Power & Fuel	--	0.92
Repairs	--	0.04
Rent ,Rates & Taxes	0.53	1.34
Insurance	--	0.02
Travelling Exp.	--	0.07
Professional Charges	1.16	3.37
Postage,Telegram & Telephone	0.04	0.26
Printing & Stationery	0.10	0.10
Subscription & Membership	--	0.04
Motor Car Expenses	--	0.22
Bank Charges /Commission	--	0.14
Office Admn.& Misc.Expenses	0.48	0.75
Bad debts	59.01	0.00
Auditors' Fees	0.11	0.10
	<u>61.43</u>	<u>7.37</u>
	=====	=====

**SCHEDULE 13****NOTES TO ACCOUNTS****1. Significant accounting Policies:****a) Basis of Accounting:**

The financial Statements are prepared under historical cost convention on accrual basis and are in accordance with the requirements of the Companies Act, 1956

**b) Fixed Assets:**

All Fixed assets are valued at cost, which includes expenditure incurred in acquisition and construction/installation and other related costs.

**c) Depreciation:**

The Company follows the straight line method of providing depreciation in the manner and at the rates prescribed under schedule XIV to the Companies Act 1956 (as amended).

**d) Inflation :**

Assets and Liabilities are recorded at historical cost to the Company. These costs are not adjusted to reflect the changing value of purchasing power of money

**e) Preliminary and Share Issue Expenses**

The Preliminary Expenses have been amortised over a period of 10 years & Deferred Revenue expenses over a period of 5 years from the commencement of commercial production.

**f) Treatment of contingent liabilities:**

Contingent Liabilities are disclosed by way of note on the Balance sheet. Provision is made in the accounts for these liabilities which are likely to materialise after the year and till the finalisation of the accounts and having effect on the position stated in the Balance sheet as at the year end.

**g) Sales/Turnover**

Sales/Turnover include sale value of goods but excludes other recoveries such as Sales Tax, Transport, Handling Charges etc.

**i) Revenue Recognition:**

In appropriate circumstances, revenue is recognised when no significant uncertainty as to the measurability or collectability exists.

**j) Expenses**

Materially known liabilities are provided for on the basis of available information/estimates. Materials of prior period expenses, known recurring and extra ordinary expenses are disclosed separately.

Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the company.

**2. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :**

- a) Bank Guarantees outstanding Rs. 9.42 lacs (Rs. 10.02 Lacs)
- b) Claim not acknowledged pending by creditor Rs. 6.33 Lacs (Rs. 6.33 Lacs)

**3. SECURED LOANS:****Nature of Security:**

- a) The Term Loan & Working capital facilities from Bank is secured Pari Passu by mortgage on leasehold office premises and on farm (partly created) by deposit of title deeds of the company's immovable properties with Bank and further by a pari passu charge by way of hypothecation of the movable assets of the company (except book debts) including movable plant and machinery and other assets, both present and future.
  - b) The above is secured additionally by way of personal guarantee of all Promoter Directors.
  - c) The above is further collaterally secured by a piece of land at Maiwani, Malad (West), Mumbai, owned by a firm in which the promoter Directors are partners.
- 4. Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) as at 31st March 1999 is Rs. NIL (Rs. NIL)
  - 5. The Company has not provided interest on Term Loan and Working Capital Loan during the current year. We are unable to quantify the interest amount as necessary evidence is not in possession of the Company.
  - 6. The Company has not recognised the income of interest on deposit for Bank guarantee. We are unable to quantify the interest amount as necessary evidence is not in possession of the Company.
  - 7. During the year, the company has not provided depreciation on Fixed Assets in view of absence of commercial production. Had the company provided the depreciation on straight line method as in earlier years, the loss for the year would have been higher by Rs. 38.91 Lacs (Rs. 32.62 Lacs) and the Fixed Assets would have been lower to the same extent.
  - 8. Excess provision of the previous years written back includes Electrical expenses liability of the company amounting to Rs. 10.20 lacs which is no longer liability of the Company.
  - 9. The Company has written off bad debts amounting to Rs. 59.01 lacs during the year under audit. In view of the management, these amounts are not receivable by the Company.
  - 10. During the year the Company has capitalised operating overhead /expenses of the farm amounting to Rs. 1.49 lacs (previous year Rs. 19.94 lacs). The aforesaid expenses are capitalised to the value of the Fixed Assets of the farm. The same practice was also followed during the previous years.

11. During the year, the company has not written off Deferred Revenue Expenditure of Rs.11.89 Lacs as done in the earlier years. Had the company continued the same accounting practice, the loss for the year would have been higher by the same amount.
12. During the year the company has not written off Preliminary Expenditure of Rs. 0.50 Lacs & Share issue expenditure of Rs. 2.71 Lacs. Had the company continued the same accounting practice, the loss for the year would have been higher by the same amount.
13. Subsidy received from SICOM & MPEDA has been shown as Capital Reserve.
14. The Debtors, Creditors and Loans and Advances are subject to Confirmation and reconciliation.
15. Managerial Remuneration under section 198 of the Companies Act, 1956. Remuneration to Managing Director Rs. Nil (Rs. Nil)
16. Additional information pursuant to Paragraph 401 Part II of Schedule VI to the Companies Act, 1956 are furnished to the extent applicable.

a.	Licensed capacity	1280 tonnes per annum *
	Installed capacity	Not quantifiable *

\* as certified by the management.

b. Details of Opening Stock, Closing Stock and Production:

	For the year ended 31.03.1999		For the year ended 31.03.1998	
	Qty.	Value (Rs. Lacs)	Qty.	Value (Rs. Lacs)
<b>a. Opening Stock</b>				
Finished goods	Nil	Nil	Nil	Nil
Work-in-progress	Nil	Nil	Nil	Nil
<b>b. Production</b>				
Hatchery	Nil	Nil	Nil	Nil
Farm	Nil	Nil	Nil	Nil
<b>c. Closing Stock</b>				
Finished goods	Nil	Nil	Nil	Nil
Work-in-progress	Nil	Nil	Nil	Nil

**d. Details of Purchase and Sales**

Purchases	Nil	Nil	Nil	Nil
Marine Products	Nil	Nil	Nil	Nil
Other Raw Materials	Nil	Nil	Nil	Nil
Sales				
Marine Products	Nil	Nil	Nil	Nil
Hatchery products	Nil	Nil	Nil	Nil
Prawn feed	Nil	Nil	Nil	Nil

**e. Raw Materials consumed**

Seeds	Nil	Nil	Nil	Nil
Feeds & Others	Nil	Nil	Nil	Nil

**f. CIF Value of imports**

Of Raw Materials	Nil	Nil	Nil	Nil
Of Capital Goods	Nil	Nil	Nil	Nil

**g. Consumption of imported goods**

Raw Materials	Nil	Nil	Nil	Nil
Stores and spares	Nil	Nil	Nil	Nil

17. Figures of the previous year have been regrouped and rearranged wherever necessary. Figures in brackets relate to previous year.

18. A suit has been filed on the month of June 1999 against the company by the Banker, Bank of Baroda for the recovery of outstanding amount with them of Rs.8,43,04,806/-. The Honourable Court has appointed the Court receiver on 22<sup>nd</sup> June 1999 for taking charge of the fixed assets of the Company.

19. Balance sheet Abstract and Company's General Business Profile as required under Part IV to schedule VI of the Companies Act.

I. Registration details :  
Registration No. 11-67862

II State Code : 11  
Balance Sheet Date: 31st March 1999

**III Position of mobilisation and deployment of funds (Rs. in thousands)**

Total Liabilities	:	Rs. 137611
Total Assets	:	Rs. 137611

**SOURCES OF FUNDS**

Paid up capital	:	Rs. 50000
Reserves & Surplus	:	Rs. 1850
Secured Loans	:	Rs. 70717
Unsecured Loans	:	Rs. 15044

**APPLICATION OF FUNDS**

Net Fixed Assets	:	Rs. 105355
Investments	:	Rs. 5
Net Current Assets	:	Rs. 677
Misc. expenses	:	Rs. 4974
Accumulated Losses	:	Rs. 26600

**IV Performance of the company (Amount Rs. in thousands)**

Turnover	:	Rs. 121
Total Expenditure	:	Rs. 5181
Profit before Tax	:	(Rs. 5060)
Earning per share	:	(Rs. 0.10)
Dividend Rate ( % )	:	Nil

**V Generic Name of the Principal product of the Company (as per monetary terms)**

Item Code No.	B-32-16-04
(I.T.C. Code)	
Product description	PREPARED OR PRESERVED FISH.

As per our report of even date attached

**For KAILASHCHAND JAIN & Co.  
Chartered Accountants**

**(H.K. PANDA)  
Partner**

**Place: MUMBAI  
Date 04. September 1999**

**For and on behalf of Board of  
Directors**

**KAMAL RUIA     Managing rector**

**SHARAD RUIA     Director  
Place: MUMBAI  
Date: 04 September 1999**

# RUIA AQUACULTURE FARMS LIMITED

Cash Flow Statement annexed to the Balance Sheet for the period April 1998 to March 1999

(Rupees in lacs)

Particulars	1998-99		1997-98	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash Flow from Operating activities</b>				
Net Profit after Tax as per P&L A/c		-50.22		-6.16
Adjusted for				
Net prior year Expenses		9.62		12.45
Net Loss before Tax & Extraordinary items		-50.60		8.29
Adjusted for				
Depreciation and write-offs	0.00		0.00	
Effects of Exchange rate changes	0.00		0.00	
Profit on sale of Investments/Dividend Income	0.00		0.00	
Interest and other Income	0.00		0.00	
Interest Expenses	0.00	0.00	0.00	0.00
Operating Profit before Working Capital changes		-50.60		6.29
Adjusted for				
Trade and other receivables	59.01		1.46	
Inventories	0.00		0.00	
Trade Payables	-2.87		-29.40	
Misc. Exp. not written off	0.00	56.14	0.00	-27.94
Cash generated from operations		5.54		-21.65
Interest paid		0.00		0.00
Cash flow before Extraordinary items		5.54		-21.65
Net prior year expenses		0.00		0.00
<b>Net Cash from Operating activities</b>		<b>5.54</b>		<b>-21.65</b>
<b>B. Cash Flow from investing activities</b>				
Purchase of Fixed Assets		-1.50		-148.87
Sale of Fixed Assets		50.00		0.00
Purchase of Investments		0.00		0.00
Movement in investment Account		-49.18		52.52
Sale of Investments		0.00		0.00
Movement in Loans		-7.61		10.44
Interest Income		0.00		0.00
Dividend Income		0.00		0.00
<b>Net Cash used in Investing activities</b>		<b>-8.29</b>		<b>-85.91</b>
<b>C. Cash Flow from Financing activities</b>				
Proceeds from issue of Share Capital (Net)		0.00		0.00
Capital Subsidy received		0.00		0.00
Increase in Cash & Bank balances on amalgamation		0.00		0.00
Proceeds from Long Term borrowings		-0.15		106.13
Repayment from Long Term Borrowings		0.00		0.00
Short Term Loans		0.99		0.00
Dividend paid		0.00		0.00
Effects of exchange rate change		0.00		0.00
<b>Net Cash used in Financing activities</b>		<b>0.84</b>		<b>106.13</b>
Net increase in Cash & Cash equivalents (A+B+C)		-1.91		-1.43
Opening balance of Cash & Cash equivalents		5.72		7.15
Closing balance of Cash & Cash equivalents		3.81		5.72

For and on behalf of the Board

Place : Mumbai

Date :

SHARAD RUIA

Director

### Auditor's Report

We have verified the attached Cash Flow Statement derived from audited financial statements and the books and records maintained by the Company for years ended 31st March 1999 and 31st March 1998 and found the same in agreement therewith.

For M/s Kailashchand Jain & Co.  
Chartered Accountants

Place : Mumbai  
Date : 04.09.1999

H.K.Panda  
Partner



**ATTENDANCE SLIP**

**RUIA AQUACULTURE FARMS LIMITED**

Registered Office : 101/3, Kedia Chambers, S.V. Road, Malad (West). Mumbai - 400 064

Please fill in the attendance slip and hand it over at the entrance of the meeting Hall. Joint Shareholder may obtain the attendance slip request.

Name and Address of the Shareholder

Master Folio No.

Number Of Shares held :

I hereby record my presence at the 7th Annual General Meeting of the company held on Wed. 29th Sept, 1999 at 11.00 p.m. at Bageecha Restaurant and the Banquet Centre, BageechaComplex, Marve Road, Malad (West), Mumbai - 400 095.

Signature



**PROXY**

**RUIA AQUACULTURE FARMS LIMITED**

Registered Office : 101/3, Kedia Chambers, S.V. Road, Malad (West). Mumbai - 400 064

Master Folio no.

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member of RUIA HOSPITALITY LIMITED hereby appoint \_\_\_\_\_

of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_

as my/ our\* proxy to vote for me/ us and on my/ our behalf at the 7th Annual General Meeting of the Company to be held on Wed, 29th Sept, 1999 at 11.00 p.m. At Bageecha Restaurant and banquet Centre, Bageecha Complex, Marve Road, Malad (West), Mumbai - 400 095 and at any adjournment thereof.

Signed \_\_\_\_\_ day of \_\_\_\_\_ 1999

: .....  
: Affix a :  
: Revenue :  
: Stamp :  
: .....

NOTE : The Proxy Must be returned so as to reach the Registered Office of the Company not Less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the company



\*Strike out whichever is not applicable