



Expo Gas Containers Limited

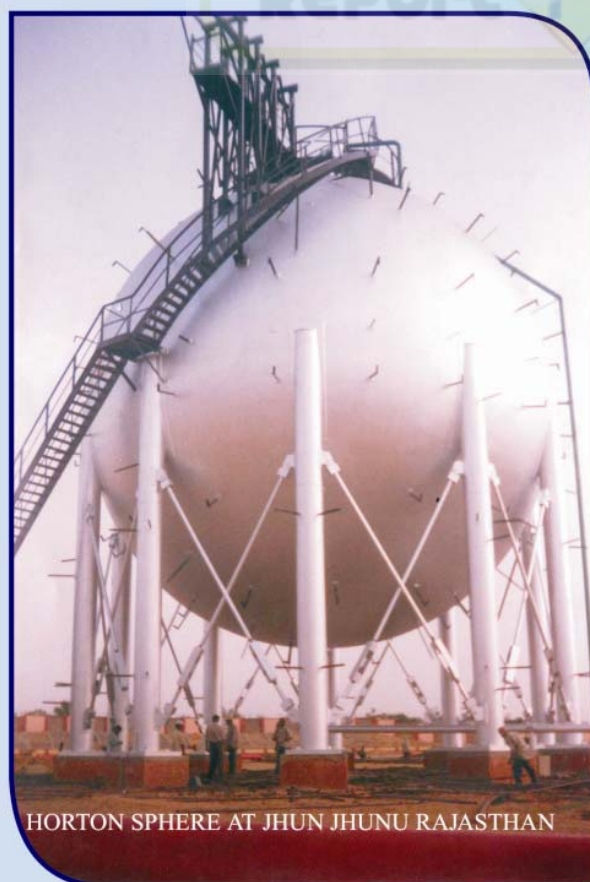


27th
ANNUAL
REPORT
2009-2010



CRUDE OIL STORAGE FLOATING ROOF TANK
HPCL REFINERY

INDEX



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Board of Directors

Shri. Shaukatali S. Mewawala	-	Chairman & Managing Director
Shri. Bhagwan N. Bhardwaj	-	Non-executive Director
Shri. Vazirali G. Lokhandwalla	-	Non-executive Director
Shri. Syed Abbas Ali	-	Non-executive Director
Shri. Hasanain S. Mewawala	-	Non-executive Director
Shri. Sajjadhussein Nathani	-	Non-executive Director

Statutory Auditors

M/s Ketan N. Shah & Co.,
Chartered Accountants
R-36, Guru Ashish Building,
Zaveri Bazar, Mumbai-400 002

Bankers

The Saraswat Co-operative Bank Ltd.
SME, Vile Parle (East) Branch,
Bholanath CHS Ltd., Ground and First Floor,
Subhash Road, Vile Parle (East),
Mumbai – 400 057.

Registered Office

Expo House,
150, Sheriff Devji Street,
Mumbai - 400 003
Tel No: - 40339600
Fax No: - 2340 1635
E-Mail: - egcl@expogas.com

Works

A/10, MIDC, Murbad,
Dist.. Thane - 421401.

Registrars and Share Transfer Agents

Adroit Corporate Services Private Limited.
19, Jaferbhoy Industrial Estate
1ST Floor, Makwana Road,
Marol Naka, Andheri (East),
Mumbai - 400 059.
Tel No: - 28594442, 28594428
Fax: - 28503748

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Shareholders of the Company will be held on Wednesday, the 29th September 2010 at 11.00 a.m. at the Registered Office of the Company at Expo House, 150, Sheriff Devji Street, Mumbai-400 003 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sayed Abbas Ali who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution.**

“RESOLVED THAT in accordance with the provisions of Section 260 of the Companies Act, 1956, Mr. Hasanain S. Mewawala holds office only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500/- under section 257 of the said Act from a member signifying his intention to propose Mr. Hasanain S. Mewawala as a candidate for the office of director be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

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

“RESOLVED THAT in accordance with the provisions of Section 260 of the Companies Act, 1956, Mr. Sajjadhussein Nathani holds office only up to the date of this meeting, and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500/- under section 257 of the said Act from a member signifying his intention to propose Mr. Sajjadhussein Nathani as a candidate for the office of director be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

By Order of the Board
For Expo Gas Containers Limited

Place : Mumbai
Dated : 17.08.2010

Sd/-
(S. S. Mewawala)
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Book will remain closed from Monday the 27th September 2010 to Wednesday the 29th September 2010 (Both days inclusive) for the purpose of Annual General Meeting.
3. The Explanatory statement pursuant to sections 173 (2) of the Companies Act 1956 in respect of Item No: 4 & 5 of the Notice is annexed.
4. Members are requested
 - (i) To bring their copy of Annual Report and Attendance Slip duly filled up and signed at the meeting.
 - (ii) To quote their folio / client identification number in all correspondence with the Company or its Registrar and Share Transfer Agents.
 - (iii) Members holding the shares in physical form are requested to notify immediately for change of their address to the Company or its Registrar and Share Transfer Agents

AND

In the case their shares are held in dematerialized Form, then information should be passed on directly to their respective Depository Participants and not to the Company or its Share Transfer Agents.

Details of Directors seeking reappointment and confirmation at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of the Director	Mr. Hasanain S. Mewawala	Mr. Sajjadhussein M. Nathani	Mr. Sayed Abbas Ali
Date of Birth	20.08.1978	26.10.1961	19.10.1965
Date of Appointment	14.12.2009	14.12.2009	15.12.2005
Qualification	B.Com	B.Com	Metric
Directorship held in Indian Public Companies as on 31.03.2010	NIL	NIL	NIL
Committee positions held in Indian Public Companies as on 31.03.2010	NIL	NIL	NIL
Number of Shares held in the Company	87334	NIL	NIL

ANNEXURE TO THE NOTICE

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

Item No. 4 :

Mr. Hasanain S. Mewawala was appointed as an Additional Director w. e. f. 14.12.2009. As per Section 260 of the Companies Act, 1956 he holds office only upto the date of Annual General Meeting. Hence this resolution.

None of the Directors except Mr. Hasanain S. Mewawala & Mr. Shaukatali S. Mewawala are concerned or interested in the above resolution.

Item No. 5 :

Mr. Sajjadhussein Nathani was appointed as an Additional Director w. e. f. 14.12.2009. As per Section 260 of the Companies Act, 1956 he holds office only upto the date of Annual General Meeting. Hence this resolution.

None of the Directors except Mr. Sajjadhussein Nathani is concerned or interested in the above resolution.



By Order of the Board
For Expo Gas Containers Limited

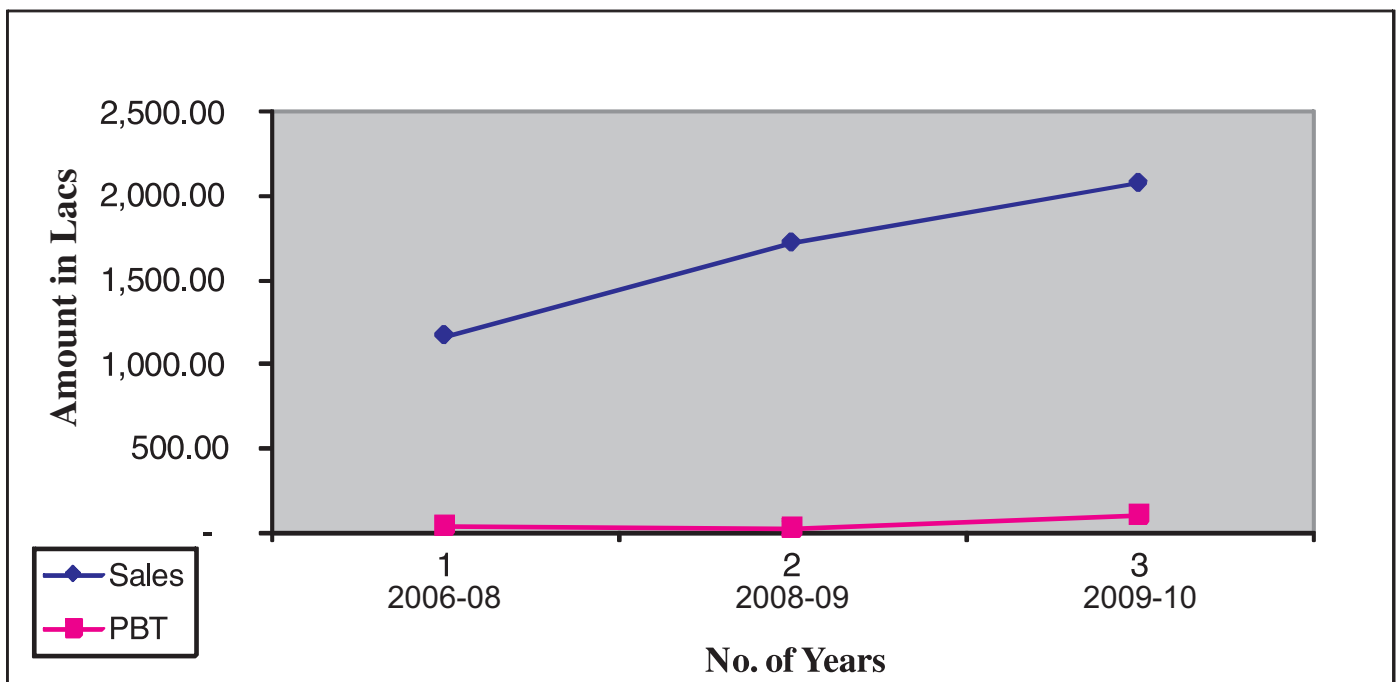
Place : Mumbai
Dated : 17.08.2010

Sd/-
(S. S. Mewawala)
Managing Director

FINANCIAL HIGHLIGHTS

(Rs in lacs)

PARTICULARS	2006-08 (18 months)	2008-09	2009-10
Sales	1,166.79	1,719.33	2,077.32
EBIDTA	132.32	74.17	350.80
EBIDTA (%)	11.34	4.31	16.89
PBT	42.33	24.49	104.59
PBT (%)	3.63	1.42	5.04
PAT	(64.41)	37.53	48.87
PAT (%)	(5.52)	2.18	2.35
Debt	2,204.10	1,024.53	1,366.16
Net Worth	421.69	571.73	958.09
Debt / Equity Ratio	5.23	1.79	1.43



DIRECTORS' REPORT

To,
The Members

Your Directors present herewith Twenty Seventh Annual Report together with audited statement of accounts for the year ended 31st March 2010.

FINANCIAL RESULTS

(Amount in Rs.)

Particulars	As on 31.03.2010	As on 31.03.2009
Profit / (Loss) before Depreciation and Interest	3,50,79,618	74,17,392
Less: - Interest	1,79,47,316	3,55,413
Less: - Depreciation	66,72,924	46,13,245
Net Profit / (Loss) before Extraordinary Items	1,04,59,378	24,48,734
Add: - Extraordinary Items (Net)	-	5,21,03,218
Net Profit / (Loss) before Tax	1,04,59,378	5,45,51,952
Less: - Tax		
- Current tax (Including FBT)	16,15,974	16,16,800
- Deferred Tax Liabilities / (Assets)	39,56,746	4,91,81,996
Net Profit after Tax	48,86,658	37,53,156
Prior period adjustment	-	—
Profit / (Loss) brought forward	2,43,382	(6,43,57,403)
Loss Written Back Consequent on Reduction in Capital	-	4,67,18,400
Loss Adjusted Against Share Premium Account	-	1,41,29,229
Balance Carried to Balance Sheet	51,30,040	2,43,382

CURRENT YEAR PERFORMANCE

During the year under review, the Company achieved turnover of Rs. 20.84 Crores against Rs. 17.23 Crores in the previous year. This is about 21% growth. The profits before extra ordinary income also increased significantly from about Rs. 24.48 Lacs to Rs. 104.59 Lacs.

In order to consolidate the operations and enhance capabilities further, the Company undertook expansion of its facilities costing about Rs. 3.25 Crores. This was funded by Saraswat Bank to the extent of Rs. 2.30 Crores of Term Loan and the balance was funded from internal accruals of the Company. With the completion of this expansion, the Company has successfully enhanced its capabilities to offer wider range of products and also increased its capacity significantly.

OPPORTUNITY AND FUTURE OUTLOOK

Indian economy is growing at a healthy rate of 8.5 to 9%. Capital goods industry is also doing well and several projects are coming up in hydrocarbon, power, petrochemical and fertilizer sectors. At present, the Company has healthy order position of over Rs. 36.00 Crores.

The Company is also working actively with reputed Companies like L&T, Samsung, Toyo Engineering, BPCL, HPCL for further orders. We are confident that your Company will be able to show healthy growth in the current year and have substantial order book position at the end of current financial year.

The Company has also been approved by reputed Engineering Consultancy firms for fabrication of new products including Heat Exchangers. The Company is also exploring and pursuing orders for site construction activities as well as overseas business. We are also in discussions with L&T for development of specialized equipments.

DIVIDEND

In view of inadequate profits your Directors do not recommend any dividend for the year ended 31st March 2010.

DEPOSITS

The Company has not accepted any deposit or unsecured loans from the public within the meaning of Section 58A of the Companies Act, 1956 read with The Companies (Acceptance of deposit) Rules, 1974.

DIRECTORS

Mr. Hasanain S. Mewawala & Mr. Sajjadhussein Nathani were appointed as an additional director w. e. f. 14.12.2009. Except this there are no other changes in the Directors of the Company.

AUDITORS

M/s. Ketan N. Shah, Chartered Accountants, Mumbai, Auditors of the Company retires at the ensuing Annual General Meeting of the Company and being eligible offers themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that the proposed appointment if made will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956.

As regards the appointment of Internal Auditors, the Company is in the process of appointing a suitable person. The other reservations of Auditors are self-explanatory in the notes referred to by them.

REDUCTION OF CAPITAL

During the year the Company had passed a Special Resolution at an Extra Ordinary General Meeting held on 11th June 2009 for Reduction of Paid- up Share Capital of the Company from Rs. 7,78,64,000 divided into 77,86,400 Equity Shares of Rs. 10 each fully paid up to Rs. 3,11,45,600/- divided into 77,86,400 equity shares of Rs. 4/- each fully paid up by canceling the capital to the extent of Rs.6/- per Equity share thereby the amount of the Share Capital getting reduced by Rs. 4,67,18,400/-. The Company had applied to Hon'ble High Court., Mumbai for its approval for the Reduction of the paid up capital of the Company as required under Section 100 of the Companies Act, 1956 after obtaining the No Objection Certificate of Mumbai Stock Exchange where the shares of the Company are listed. The Company received the approval from the Hon'ble High Court, Mumbai. The Company fixed the record date and the script trading was suspended for some time. Thereafter the equity shares were again listed by the Mumbai Stock Exchange with the face value of Rs. 4/- per share. The Authorised Capital of the Company was also reclassified to make it as Rs. 4/- per share vide ordinary resolution passed at last Annual General Meeting of the Company.

PREFERENTIAL ISSUE OF CONVERTIBLE WARRANTS

The Company passed special resolution for the Preferential Issue of 45,00,000 Convertible Warrants of Rs. 10/- each for cash aggregating to Rs. 4,50,00,000/- convertible at the option of the holder into one Equity share of Rs. 10/- each (or such adjusted numbers for any bonus, stock splits or consolidation, reduction or other reorganization of the capital structure of the company) by passing special resolution at its Extra ordinary General Meeting held on 2nd March 2009. The necessary in-principle approval was obtained from the Mumbai Stock Exchange and the Company has allotted 45,00,000 Convertible Warrants of Rs. 10/- each for cash at par at its Board Meeting held on 31.03.2009. The Company applied to SEBI for the exemption from open offer as per regulation 4 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulation 1997. The Company was fortunate enough to get the said approval from SEBI vide their order dated 27th April 2010. The Company allotted 1,12,50,000 equity shares on 19th May 2010 and have applied to Mumbai Stock Exchange for listing of the said shares.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is given hereto and forms a part of this report

FORM – A

Form for disclosure of particulars with respect to Conservation of Energy.

Power and Fuel Consumption		Current year 31.03.2010	Previous Period 31.03.2009
1)	Electricity		
	Purchase Unit (KWH)	2.86	2.42
	Total Amount (Rupees in lacs)	18.12	15.05
	Rate per Unit (Rupees)	6.34	6.23
2)	Coal	N.A	N.A
3)	Furnace Oil	N.A.	N.A.
4)	Internal Generation	N.A.	N.A.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Energy conservation is not only a national priority but also a key value driver for your Company. Employees are also encouraged to give suggestion that will result in energy saving.

As prescribed under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is not applicable, as there is no technology absorption, adaptation and innovation made by your Company. However, it has been the endeavor of the Company to continuously upgrade & standardize its products.

FOREIGN EXCHANGE EARNING AND OUTGO

	<i>Rs. in Lacs</i>
i) <i>CIF Value of Imports</i>	<i>NIL</i>
ii) <i>Expenditure in foreign currency</i>	<i>0.03</i>
iii) <i>Foreign Exchange earned</i>	<i>NIL</i>