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EXPO GAS CONTAINERS LIMITED



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Expo
Expo Gas Containers Limited

30th ANNUAL REPORT 2012 - 2013

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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. Hasanain S. Mewawala	-	Non-executive Director
Shri Sajjadhussein Nathani	-	Non-executive Director
Shri Tribhuwan Nath Tripathi	-	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: - 61319600
Fax No: - 23401635
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 Thirtieth Annual General Meeting of the Shareholders of the Company will be held on Monday, the 30th September 2013 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 2013 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. Sajjadhussein Nathani who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

Place : Mumbai
Dated : 22.08.2013

By Order of the Board
For Expo Gas Containers Limited

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 23rd September 2013 to Monday the 30th September 2013 (Both days inclusive) for the purpose of Annual General Meeting.

3. Members are requested

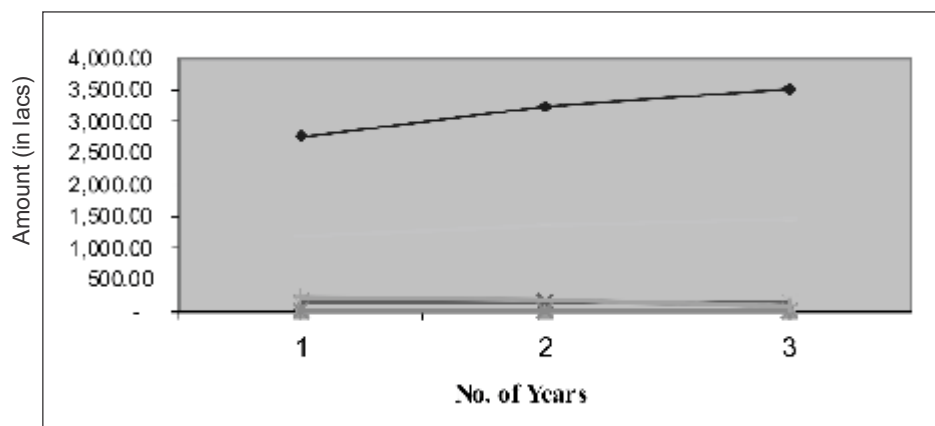
- (i) To bring their copy of Annual Report and Attendance Slip duly filled up and signed at the meeting.
- (ii) To quote their folio / identification number in all correspondence with the Company or its Registrar and Share Transfer Agents.
- (iii) Members holding the shares in physical form are requested 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 retiring by rotation at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of the Director	Mr. Sajjadhussein Nathani
Date of Birth	26.10.1961
Date of Appointment	14.12.2009
Qualification	B.Com
Directorship held in Indian Public Companies as on 31.03.2013	NIL
Committee positions held in Indian Public Companies as on 31.03.2013	NIL
Number of Shares held in the Company	NIL

FINANCIAL HIGHLIGHTS

PARTICULARS	2010-2011	2011-2012	2012-2013
Sales	2,765.89	3,227.56	3,511.28
EBIDTA	468.54	577.85	490.58
EBIDTA (%)	16.94	17.90	13.97
PBT	140.26	141.33	135.15
PBT (%)	5.07	4.38	3.85
PAT	228.46	175.66	87.68
PAT (%)	8.26	5.44	2.50
Debt	2,003.26	2,464.79	2,345.94
Net Worth	1,186.55	1,362.21	1,449.89
Debt / Euity Ratio	1.69	1.81	1.62



DIRECTORS' REPORT

To,
The Members

Your Directors present herewith Thirtieth Annual Report together with audited statement of accounts for the year ended 31st March 2013.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	As On 31.03.2013	As On 31.03.2012
Profit / (Loss) before Depreciation and Interest	490.58	577.85
Less: - Interest	277.25	358.50
Less: - Depreciation	78.18	78.02
Net Profit / (Loss) before Tax	135.15	141.33
Less: - Tax		
- Current tax (Including FBT)	27.04	28.95
- Earlier Tax	(0.67)	2.15
- Deferred Tax Liabilities / (Assets)	21.11	(65.43)
Net Profit after Tax	87.68	175.66
Profit / (Loss) brought forward	455.42	279.76
Balance Carried to Balance Sheet	543.10	455.42

CURRENT YEAR

During the year under review, the Company achieved turnover of Rs. 35.11 Crores against Rs. 32.27 Crores in the previous year. This is about 9% growth.

OPPORTUNITY AND FUTURE OUTLOOK

Indian economy's growth is slowing down to around 5% and all the industries, including Capital goods industry, are also suffering at the moment. However, there are projects which are lined up for Fertilizers and Oil & Gas sector etc. which are awaiting clearance and it is expected that before the elections in 2014, these projects will get clearance. In fact, Toyo Engineering has started working on Fertilizer project, for

which we have received enquiries.

In the interim period, the Company has managed to receive orders from Indian Oil Corporation, Reliance Industries and other Companies. The current order book is about Rs. 75 Crores and this is more than double of the order book around this time last year. It is also double of our previous year turnover. We expect a healthy increase in turnover for the year ended March, 2014.

DIVIDEND

In view of inadequate profits and in order to conserve resources, your Directors do not recommend any dividend for the year ended 31st March 2013.

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. Sajjadhussein Nathani retires by rotation and being eligible offer himself for reappointment. 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.

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 31.03.2013	Previous Year 31.03.2012
1)	Electricity		
	Purchase Unit (KWH)	3.76	4.42
	Total Amount (Rupees in lacs)	31.23	29.51
	Rate per Unit (Rupees)	8.31	6.68
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>2.62</i>
iii) <i>Foreign Exchange earned</i>	<i>NIL</i>

PARTICULARS OF EMPLOYEES

No employee was in employment of the Company throughout the Financial Year or part of the Financial Year on a remuneration, which in aggregate, exceeded the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled “**Report on Corporate Governance**” for the year ended 31.03.2013 has been annexed in this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT 1956

The Directors state that: -

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation by way of notes to accounts relating to material departures;
- The selected accounting policies were applied consistently and the judgments and estimates made by them are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March 2013 and of the profit for the year ended on that date;
- The proper and sufficient care has been taken 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;
- The annual accounts have been prepared on a going concern basis.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Industrial Relations continued to be harmonious throughout the year under review.

ACKNOWLEDGEMENT

Your Directors express their gratitude for the continued support of the financial institutions, Bankers, Government Authorities and Shareholders. Your Directors also place on record their deep sense of appreciation for the commitment exhibited by the Company's employees.

For and on behalf of the Board
For Expo Gas Containers Limited

Place : - Mumbai
Dated : - 22.08.2013

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

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company's endeavor is to maximize shareholder value. Expo is committed to adopt the best governance practices and its adherence in true spirit at all times. It has strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a code of conduct which is applicable to all employees. The Company also has in place a code for preventing insider trading.

The Company is fully compliant with the requirements of the listing agreements and applicable corporate governance norms and is committed to ensuring compliance with all modifications within the prescribed time.

Composition and Category of Directors

The Board is headed by Mr. S. S. Mewawala, Chairman and Managing Director and is composed of eminent person with considerable professional experience in their respective fields. The present strength of the Board is six of which one Director is executive Director and others are non-executive & Independent Directors. The composition and strength of the Board meets with the requirements of the Clause 49 of the Listing Agreement. None of the non-executive Directors has any pecuniary relationship or transactions with the Company.

During the year under review 01.04.2012 to 31.03.2013, 8 (Eight) Board Meetings were held as under to deliberate on various matters.

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	09.04.2012	5.	29.08.2012
2.	09.05.2012	6.	08.11.2012
3.	20.07.2012	7.	19.11.2012
4.	14.08.2012	8.	13.02.2013

The Composition of the Board of Directors and their attendance at the Board Meeting during the year and at the last annual general meeting as also the number of Directorship in Indian Public Limited Companies are as follows: -

Name of Directors	No. of Board Meeting attended	Attendance at Last Annual General Meeting	Category of Directors	Other Directorships in Public Co.	No. of Chairmanship / Membership of Board Committee in other Company	
					Chairman	Members
Mr. S. S. Mewawala	08	Yes	CMD / P	No	N.A.	N.A.
Mr. Bhagwandas Bhardwaj	07	No	NED / I	No	N.A.	N.A.
Mr. Syed Abbas Ali *	02	No	NED / I	No	N.A.	N.A.
Mr. Vazirali G. Lokhandwalla	02	No	NED / I	No	N.A.	N.A.
Mr. Hasanain Mewwala	08	Yes	NED / P	No	N.A.	N.A.
Mr. Sajjadhussein Nathani	08	Yes	NED / I	No	N.A.	N.A.
Mr. Tribhuwan Nath Tripathi *	05	No	NED / I	No	N.A.	N.A.

* Mr. Syed Abbas Ali resigned as a Director and Mr. Tribhuwan Nath Tripathi was appointed as an Additional Director w. e. f. 20.07.2012.

Note: -

1. CMD / P – Chairman and Managing Director and Promoter.
2. NED / I – Non-executive and Independent Director.
3. NED/P - Non-executive and Independent Director and Promoter

Board Agenda

Meetings are governed by structured Agenda. The Board Members in consultation with the Chairman may bring up any matter for the consideration before the Board. Agenda working papers are circulated to the members of the Board at least seven working days prior to the date of the Board Meeting.

There is also a system of post meeting follow up, review & reporting process of the action / pending on decisions of the Board or its committee till the final implementation stage.

Committees of the Board

The Board of Directors has constituted three Committees of the Directors with adequate delegation of powers to discharge urgent business of the Company. These Committees are Audit Committee, Shareholders' / Investors' Grievance Committee and Remuneration Committee. The Committee meets as often as required. The details of the Audit Committee, Investor's Grievance Committee and Remuneration Committee are as follows: -

1. Audit Committee

I.) Terms of Reference

The terms of reference of the Audit Committee, covers the areas specified in Clause 49 of the listing agreement of the Stock Exchange and the applicable provisions of the Companies Act, 1956 as amended till date.

The Audit Committee reviews all the matters which were specified in the earlier report of the corporate Governance inclusive of all mandatory items. The thrive at the Company is to have more the transparency in the unaudited as well as the audited results. The committee's scope is increased looking into the objective of the Company. The Committee's strength & say is increased all the time.

ii.) Composition

The Audit Committee comprises at present of three Directors viz. Shri. Bhagwan N. Bhardwaj, Mr. Sajjadhussein M. Nathani and Shri. Vazirali G. Lokhandwalla.

During the year from 01.04.2012 to 31.03.2013 the Committee met five times as under to deliberate on various matters as per terms of reference and attendance of the Members at the Meeting was as under: -