



**EXPO GAS
CONTAINERS
LIMITED**

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**20th Annual Report
2001-2002**

20TH ANNUAL REPORT 2001-02

EXPO GAS CONTAINERS LIMITED

BOARD OF DIRECTORS

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)
INDRAKUMAR PAHARIA
BHAGWAN N. BHARADWAJ
DIVYABHASH C. ANJARIA
MAHESH H. BHUTA

AUDITORS

KETAN N. SHAH & CO.
Chartered Accountants
R-36, GURU ASHISH BUILDING,
ZAVERI BAZAR, MUMBAI-400 002.

BANKERS

UNION BANK OF INDIA
MUMBAI

REGISTERED OFFICE

EXPO HOUSE,
150, SHERIFF DEVJI STREET,
MUMBAI-400 003.

WORKS

A/10, MIDC, MURBAD,
DIST. THANE-421 401.

REGISTRARS & TRANSFER AGENTS

ADROIT CORPORATE SERVICES PVT. LTD.
19, JAFERBHOY INDUSTRIAL ESTATE
1ST FLOOR, MAKWANA ROAD,
MAROL NAKA, ANDHERI (E)
MUMBAI-400 059.

EXPO GAS CONTAINERS LIMITED**NOTICE**

NOTICE IS HEREBY given that the Twentieth Annual General Meeting of the Shareholders of the company will be held at Expo House, 150, Sheriff Devji Street, Mumbai-400 003 at 9.30 a.m. on Monday, 31st March, 2003 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 30th September, 2002 and the Balance Sheet as on that date and the Reports of Board of Directors & Auditors thereon.
2. To appoint a Director in place of Mr. Divyabhash C. Anjaria, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting 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 a Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 & other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the said Act, approval of the members of the Company be and is hereby accorded to the reappointment of Mr. Shaukatali S. Mewawala as Managing Director of the Company for a period of five years w.e.f. 1.4.2002 on such remuneration as may be determined by the Board of Directors from time to time within the limits specified below:

A. SALARY: Rs. 30,000/- — 10,000/- — 80,000/- per month.

B. PERQUISITES:

In addition to salary he will be entitled to perquisites such as furnished accommodation/ house rent allowance, reimbursement of gas, electricity, water, furnishing, medical expenses, club fees, personal accident/medical insurance premium, leave travel concession for self and family etc. in accordance with the rules specified by the company from time to time, provided that the value of such perquisites shall be restricted to Rs. 9.60 Lacs p.a.

1. for the purpose of calculating the above ceiling perquisites shall be evaluated as per income tax rules, wherever applicable, otherwise at actuals.
2. for the purpose of calculating the above ceiling, the following shall not be included:
 - i) provision for use of company's car for official duties and telephone at residence (including payment for local calls and long distance official calls);
 - ii) company's contribution to provident fund and superannuation fund not exceeding 25% of the salary, if any;
 - iii) gratuity payable at a rate not exceeding half a month's salary for each completed year of service as per gratuity rules and
 - iv) encashment of leave at the end of the tenure as per the rules of the company.
- C. The total remuneration including perquisites and contribution towards provident fund and superannuation fund payable to the managing director shall not exceed 5% of the profits calculated in accordance with sections 198 and 309 of the Companies Act, 1956.

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- D. The Board of directors may, in their discretion pay to Mr. Shaukatali S. Mewawala, Managing Director, lower remuneration than the maximum remuneration hereinabove stipulated and revise the same from time to time within the limits stipulated by this resolution.
- E. In the event of absence or inadequacy of net profit in any financial year, the remuneration payable to the Managing Director shall be governed by the provisions of Schedule XIII of the Companies Act, 1956 and will be adjusted appropriately.
- F. Subject to the control and superintendent of the Board of Directors, Mr. Shaukatali S. Mewawala, Managing Director shall perform such duties and functions, as may be delegated to him from time to time.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps as the board may consider necessary or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956, or any amendment(s) or substitution thereof, the consent of the Company be and is hereby accorded to Mr. Murtuza Mewawala, son of Mr. Shaikatali S. Mewawala, Chairman & Managing Director of the Company, to hold office or place of profit in the Company, as Manager (Operations) in the Grade M-6 of the Company on the following remuneration with effect from 1st May, 2002:-

I. **SALARY:**

A basic salary of Rs. 7500/- per month.

II. **HOUSING:**

Thirty percent of the monthly basic salary as House Rent Allowance to be provided by the Company.

III. **Medical Allowance** : Rs. 750 per month.

IV. **Conveyance Allowance** : Rs. 500 per month.

V. **Special Allowance** : Rs. 7800 per month.

In addition, Mr. Murtuza Mewawala shall be entitled to Provident Fund as per the rules of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized and empowered, as and when it may determine and deem fit and proper, to revise the above terms of remuneration and to promote him to the next higher grade/s with all other usual allowances, facilities and benefits as applicable to such grade/s."

By Order of the Board
For Expo Gas Containers Ltd.

S. S. Mewawala
Chairman & Managing Director

Place: Mumbai
Date: 31.01.2003

EXPO GAS CONTAINERS LIMITED**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and the Share Transfer Book will remain closed from Monday, 17th March, 2003 to Monday, 31st March, 2003 (Both days inclusive).
4. Members are requested to hand over the enclosed Attendance slip duly signed in accordance with their specimen signatures registered with the Company for admission to the meeting.
5. Members are requested to bring the copy of Annual Report to the Meeting.
6. Members are requested to intimate the change in address, if any, to the Company's Registrar and Share Transfer Agent, M/s Adroit Corporate Services Pvt. Ltd., 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai-400 059.
7. Information required to be furnished under the Listing Agreement.
As required under the Listing Agreement with the Stock Exchanges, the particulars of Director(s) who is/are proposed to be appointed/re-appointed, is given below:-

Name of Director	Divyabhash C. Anjaria
Date of Birth	19.07.1946
Date of last Appointment/ Reappointment on the board	31.03.2000 Liable to retire by rotation
Service Contract	Not applicable being a Non-Executive Director
Qualification	B. Com and Post Graduate in Business Management
Experience	30 years experience in India and Overseas
Details of Directorship & Committee Membership/Chairmanship of the Companies	1 Expo Gas Containers Ltd.- Director 2 Ratnamani Metals & Tubes Ltd.- Director

By the Order of the Board

Place: Mumbai
Date: 31.01.2003

S.S. Mewawala
Chairman & Managing Director

20TH ANNUAL REPORT 2001-02**ANNEXURE TO THE NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 4**

Mr. Shaukatali S. Mewawala is a technocrat, businessman and qualified engineer.

The draft agreement approved by the Board of Directors at their meeting held on 31.01.2003 between the company and Mr. Shaukatali S. Mewawala contains, the terms and condition for reappointing him as Managing Director w.e.f. 01.04.2002, details of which are set out in this item of the Notice.

This may be regarded as an abstract of the terms of Agreement between the Company and Mr. Shaukatali S. Mewawala pursuant to Section 302 of the Companies Act, 1956.

Your Directors recommend the resolution for your approval.

None of the directors except Mr. Shaukatali S. Mewawala is interested in this resolution.

Item No. 5

Mr. Murtuza Mewawala, is the son of Mr. Shaukatali S. Mewawala, Chairman & Managing Director of the Company. He has done Business Management from U.S.

The Board of Directors have, subject to all applicable provisions of the Companies Act, 1956 details of which are set out in this item of the Notice have appointed him as Manager (Operations) in Grade M-6 w.e.f. 01.05.2002.

This resolution is now recommended for your acceptance as required under the provisions of Section 314 and other applicable provisions if any, of the Companies Act, 1956.

The remuneration, perquisites, allowances and benefits proposed are applicable in his grade as per the Rules of the Company.

The Board of Directors accordingly recommends the resolution for the approval of the members.

Mr. Shaukatali S. Mewawala, being his father, is interested in this Resolution.

By the Order of the Board

Place: Mumbai

Date: 31.01.2003

S. S. Mewawala

Chairman & Managing Director

EXPLO GAS CONTAINERS LIMITED**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting their Twentieth Annual Report and Audited Accounts for the year ended 30th Sept. 2002.

FINANCIAL RESULTS

	(Rs. in Lacs)	
	For the Year ended	For the Year ended
	30.9.02	30.9.01
Sales	2615.38	2794.49
Other Income	35.99	24.91
Profit/(Loss) before Taxation	(71.60)	(160.12)
Profit/(Loss) after Tax		
& Prior period Adjustment	5.90	(156.95)
Transfer to General Reserve		
Balance carried forward	142.28	139.38

CURRENT YEAR & FUTURE PERCEPTIONS:

Until the year ended September 2002 we have put in a lot of efforts registering with various authorities as well as the project owners. All the projects which were on hold till now have been restarted which can offer us tremendous opportunity for the company.

IOCL is setting up LAB project in Gujarat refinery. We are registered with LSTK contractor M/s Samsung Engineering and have already received an order for Rs. 140 lacs. We are also expecting additional business from them.

There is a large volume of maintenance work coming up in BPCL and HPCL refinery in Mumbai. We are registered with them and have already received orders from both the refineries.

Our efforts in exports will be realised shortly as we are expecting orders from Abu Dhabi and Doha. Once we receive initial orders, the future prospects will be bright.

DIVIDENDS:

Due to inadequacy of profit, your Board of Directors has not recommended any dividend.

DEPOSITS:

The Company has not accepted any deposit or unsecured loans from the public.

DIRECTORS:

Mr Divyabhash C. Anjaria, Director of the Company retires by rotation at the Twentieth Annual General Meeting and being eligible, offers himself for re-appointment. Mr. Sadaruddin Jiwani, Director of the Company, retired from the Board by rotation w.e.f. 30.3.2002. The Board wish to place on record their appreciation of the services rendered by Mr. Sadaruddin Jiwani during his tenure as Director of the Company.

AUDITORS:

M/s. Ketan N. Shah, Chartered Accountants, Mumbai, the Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished a certificate 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.

	Current Year 2002	Previous year 2001
A. Power & Fuel Consumption		
1. Electricity		
a). Purchase Unit	11.56	9.32
(KWH in lacs)		
Total Amount	56.98	48.36
(Rs in lacs)		
Rate/Unit	4.93	5.19

20TH ANNUAL REPORT 2001-02**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

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 endeavour of the Company to continuously upgrade & standardise its products.

FOREIGN EXCHANGE EARNING AND OUTGO:

	<i>Rs.in Lacs</i>
i) CIF Value of Imports	14.57
ii) Expenditure in foreign currency	2.63
iii) Foreign Exchange earned	277.91

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 2001-2002" 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 relating to material departures;
- The selected accounting policies were applied consistently, and the judgements 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 30th September, 2002 and the profit & loss account of the Company 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.

PERSONNEL:

The relations between the management and employees of the Company have been cordial throughout the year and your Directors have pleasure in placing on record the appreciation of the services rendered by the employees at different quarters of the Company.

ACKNOWLEDGEMENT:

Your Directors wish to place on record with gratitude the Co-operation given during the period by the Bankers, Creditors, Members and employees at all levels.

For and on behalf of the Board

Place: Mumbai **SHAIKATALI S. MEWAWALA**
Date: 31-01-2003 Chairman & Managing Director

EXPO GAS CONTAINERS LIMITED**AUDITORS' REPORT**

To,

The Shareholders of

Expo Gas Containers Limited

We have audited the annexed Balance Sheet of Expo Gas Containers Limited as at 30th September 2002 and the annexed Profit and Loss Account of the Company for the year ended on that date in accordance with the provisions of Section 227 of the Companies Act, 1956 and report that:

1. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
3. The said Balance Sheet and Profit and Loss Account are in agreement with the books of account.
4. In our opinion Balance Sheet as on 30th September, 2002 and Profit & Loss A/c for the year on that Date complies in all material respect with the accounting standards listed in Section 211 (3c) of the Companies Act, 1956 to the extent applicable to the company.
5. In our opinion and based on information and explanation given to us none of the Directors are disqualified as on September 30, 2002 from being appointed as Directors in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and the Profit and Loss Accounts read together with the notes thereon and subject to Note (1) (ii) (a & b) of Schedule 'S' regarding Accounting policy for sale and Note (10) of Schedule 'S' regarding no provision for liability on earned leave, give the information required by the Companies Act, 1956 in the manner

so required and give a true and fair view,

- i. In the case of the Balance Sheet, of the state of the company's affairs as at 30th September, 2002.
- ii. In the case of the Profit and Loss account, of the Loss for the year ended on that date.

As required by the manufacturing and other companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and the information and explanations given to us during the course of Audit we state as under:

1. The Company maintains records to show the quantitative details and the situation of its fixed assets. The management at reasonable intervals has physically verified the fixed assets, and no serious discrepancy was noticed on such verification of the company and the nature of its business.
2. The fixed assets have not been revalued during the year of Audit.
3. The management has physically verified the Stocks of raw materials, Work in progress at factory, Work in progress at site, stores and spares and finished goods and in our opinion the frequency of verification is reasonable.
4. As informed and information available to us, the procedure of physical verification of stock followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
5. No significant discrepancy has been noticed on physical verification of stocks as compared to books of account.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stock is fair and proper and in accordance with the normally accepted accounting principles and are on the same basis as in the previous year.

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7. The company has not accepted any loans from companies, firms and other parties listed in the register maintained under section 301 and from the Companies as defined under section 370 (1-B) of the Companies Act, 1956
8. The Company has not granted any loans secured or unsecured to the Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956 and to the Companies as defined under section 370 (1-B) of the Companies Act, 1956.
9. The Company has not given any loans or advances in the nature of loans to any of its parties.
10. 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 regards to purchases of stores, raw materials, plant and machinery, equipment and other assets and with regard to sale of goods.
11. As explained to us, there are no transaction of purchase of goods and materials and sale of goods, materials and services made in pursuance to contracts or arrangements entered in the register maintained under section 301 and aggregating during the year to RS. 50,000/- or more in respect of each party.
12. As explained to us there were no unserviceable or damaged stock and raw material.
13. According to the information and explanations given to us the Company has not accepted any deposit from the public.
14. In our opinion the Company is maintaining reasonable records for the sale and disposal of realisable scrap.
15. The Company has no internal audit system commensurate with the size and nature of its business.
16. The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
17. According to records of the Company the Provident Fund dues have been regularly deposited with appropriate authorities.
18. According to the information and explanation given to us there are no undisputed amounts payable in respect of income tax, wealth tax, customs duty and excise duty outstanding as at 30.09.2002 for a period of more than six months from the date they became payable.
19. According to the information and explanation given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligation or in accordance with generally accepted business practices.
20. The Company is not a sick industrial Company within the meaning of Section 3(1)(e) of the Sick Industrial Companies (Special Provisions) Act, 1985

For KETAN N. SHAH & CO.
Chartered Accountants

(K. N. SHAH)
Proprietor

PLACE : MUMBAI
DATE : 31-01-2003