SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

Twelveth Annual Report

2003-2004

GUJARAT CONTAINERS LIMITED

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

GUJARAT CONTAINERS LIMITED

TWELVETH ANNUAL REPORT 2003-2004

BOARD OF DIRECTORS	:	**SHRI KIRAN SHAH** Chairman & Managing Director
	:	**SHRI PRAVIN SHAH** Whole-Time Director
	:	**SHRI WILLINGDON CHRISTIAN** Director
	:	**SHRI C.S. SHAH** Director
	:	**SHRI ABJEE PATEL** Director
COMPANY SECRETARY	:	**SHRI N.D.SHAH.**
AUDITORS	:	**V.K. SHASTRI & Co.** 37,Divya Housing Complex, Near, E.S.I.Hospital, Gotri Road, BARODA 390 021.
BANKERS	:	**STATE BANK OF INDIA** Industrial Fianance Branch Marble Arch, Race Course BARODA.
CORPORATE OFFICE	:	201-202, Alkapuri Arcade,"B" Wing, R.C. Dutt Road, Opp. Welcome Hotel BARODA 390 005.
REGISTERED OFFICE AND WORKS	:	Plot No. 488/489-P, Baroda-Savli Highway, Village : Tundav, Tal. Savli,

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

GUJARAT CONTAINERS LIMITED

NOTICE

NOTICE is hereby given that the TWELVTH ANNUAL GENERAL MEETING of the members of the Company will be held at 5.30 P.M. on_Wednesday, the 10th November, 2004 at the Registered Office situated at Plot No.488/489-P, Baroda-Savli Highway, Village : Tundav, Tal. Savli, Dist. Baroda to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2004 and the Profit & Loss Account for the year ended on that date and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Shri Willingdon E.Christian who retire by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and 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.Abjee Patel be and is hereby appointed as Director liable to retire by rotation .
5. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:
   "RESOLVED THAT subject to the provisions of section 269, 198, 309 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII thereof as amended and all guidelines for managerial remuneration issued by the Central Goverenment from time to time and subject to such approvals as may be necessary, Shri Abjee Patel be and is hereby appointed as Executive Director of the company with effect from the 1st December, 2004 for a period of five years on a remuneration as set out in the explanatory statement attached to this notice with liberty to the Board of Directors to revise the remuneration from time to time within the limits provided for in the said Schedule XIII or any amendement thereof for the time being in force."

Date : 14th September 2004.

By Order of the Board

Regd Office :
PLOT NO. 488/489-P
BARODA-SAVLI HIGHWAY
VILLAGE : TUNDAV, TAL. SAVLI,
DIST. BARODA.

(KIRAN SHAH)
MANAGING DIRECTOR

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO AP POINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THECOMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Members desiring any information as regard to accounts are requested to write to the Company at least one week in advance of the Annual General Meeting so as to enable the Management to keep the information ready.
3. Members are requested to notify the Company immediately the Change, in their ad dress if any, in full quoting their Folio Number.
4. Members are requested to bring their copy of Annual Report at the meeting.
5. The register of members and share transfer books will remain closed from Wednesday, the 3rd November, 2004 to Wednesday, the 10th November, 2004 (both days inclusive).

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

6. Explanatory statement pursuant to section 173 of the Companies Act,1956 is an nexed herewith

Item No.: 4 & 5

Shri Abjee Patel was appointed as Additional Director of the Company on 1st July'2004. He is Commerce Graduate and having above 28 years experiance in banking sector.He retire as Senior Manager from Bank of Baroda.The Company has received a notice under section 257 of the Companies Act,1956 along with a deposit of Rs.500/- from a member of the Company proposing to appoint Mr.Abjee patel as Director liable to retire by rotation.The Board of Directors, considering his qualification and experience propose to appoint him as Executive Director of the Company for a period of five years with effect from 1st December, 2004 on the following terms and conditions.:

1)	Salary	: Not exceeding Rs.60,000 per month.
2)	Perquisite	: In addition to salary, the following perquisites not exceeding the overall ceiling prescribed under schedule XIII of the Companies Act as amended from time to time will be provided to Shri AbjeePatel.
	a) Housing	: Rent free furnished accomodation alongwith benefits of gas, fuel, water, electricity , telephone and municipal tax as also upkeep and maintenance of company's hired furnished accomodation or house rent allowance @ of 50% of salary p.m.
	b) Medical Reimbursement	: Reimbursement of medical for self and family as per Rules of the Company.
	c) Leave Travel Concession	: Leave Travel Concession will be paid by the Company for self and family once in a year subject to a ceiling of one and half month's salary in a year.
	d) Club Fees	: Reimbursement of club fees subject to a maximum of two clubs.
	e) Personal Accident Insurance	: Personal accident insurance cover as applicable will be provided to him by the Company.

Apart from the above the Executive Director shall also be entitled to the following:

a) Provident Fund and superannuation fund: contribution of Provident Fund, superannua tion fund/ annuity Fund in accordance with the rules of the Company.

b) Gratuity : Gratuity , at a rate not exceeding half month , salary for each completed year of service.

c) Company Car : One car with the service of driver, tobe maintained by the Company for official use.

d) Reimbursement of the entertainment, travelling and all other expenses incurred for the business of the Company.

e) Leave as per Rules of the Company.Encashment of leave at the end of tenure as Executive Director.

The proposed remuneration is well within the prescribed limits specified by the Schedule XIII of the Companies Act, 1956.

The Board of Directors recommend the resolution at item no.4 & 5 for your approval.The above may also be treated as an abstract of the terms of the prosposed agreement between the Company and Shri Abjee Patel pursuant to section 302 of the Companies Act, 1956.

None of the Directors of the Company except Shri Abjee Patel, are concerned or interested in the above resolution.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

GUJARAT CONTAINERS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their TwelvthAnnual Report and Audited Accounts of the Company for the year ending 31st March, 2004.

FINANCIAL RESULTS : (Rs. In Lacs)	2003-2004	2002-03
SalesandOtherIncome.	1105.45	1172.02
Profit before Interest & Depreciation.	43.12	83.68
Interest.	60.62	68.77
Depreciation.	-	
Provision for Taxation	(0.50)	4.95
Prior Year Expenses/ Adj.	10.22	
Net Profit/(Loss)	(27.22)	9.96
Balance Brought Forward from Previous Year.	175.22	172.65
Less:		
Differred tax adjustment of past years	7.39	
Balance Carried to Balance Sheet	147.99	175.22

DIVIDEND :

Your Directors do not recommend any dividend for the year ended 31st March, 2004.

FIXED DEPOSIT :

The Company has not accepted any deposit from the public and as such there are no outstanding deposits in terms of Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS OF EMPLOYEES :

The particulars of the employee as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules 1975 as amended is NIL.

DIRECTORS

Shri Willingdon E.Christian retires from office by rotation, under Articles 150 of the Articles of Association of the Company and being eligible, offer himself for reappointment.

Shri Abjee Patel was appointed as Additional Director. His term as Director will expire on conclusion of the ensuing annual general meeting. The Company has received a notice U/S. 257 of the Companies Act,1956 alongwith a deposit of Rs.500/- proposing to appoint Mr.Abjee Patel as Director of the company.

AUDITORS :

M/s. V.K. Shastri & Co. Chartered Accountants, the present Auditors of the Company, retires and being eligible, offer themselves for reappointment.

The Company has obtained a certificate under Section 224 (1B) of the Companies Act, 1956 from the auditors to effect that their appointment if made, would be within the prescribed limit in the said section.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

AUDITOR'S REPORT:

Observation of Auditors in their report if any, is explained in note to the accounts.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Your Board States that

(i) In the preparation of the annuals for the year ended on 31st March, 2004 the applicable accounting standards has been followed and there had been no material departures from the said standards.

(ii) The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2004 and of the profits of the company for the year ended on that day.

(iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting statement 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.

(iv) the directors had prepared the annual accounts for the year ended on 31st March, 2004 on a going concern basis.

(v) Corporate Governance Report : Corporate Governance Report as per Clause 49 of the Listing Agreement with the Stock Exchange is annexed herewith.

PARTICULARS OF CONSERVATION OF ENERGY, ETC. :

Information in accordance with Clause (e) of Sub-Section (1) of Section 217 of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules-1988 and forming part of the Directors' Report for the Year ended 31st March, 2004 is given in Annexure "A" of this Report.

ACKNOWLEDGEMENT :

Your Directors acknowledge with gratitude the co-operation and assistance given by the Government, and Banks at all levels during the year under review. Your Directors deeply acknowledge the trust and confidence you have placed in this Company. The Directors also wish to place on record their deep appreciation for the services rendered by the officers, staff and workers of the Company at all levels and for their dedication and loyalty.

For and on behalf of the Board,

Place : Baroda.

Date : 14th September 2004.

(KIRAN SHAH)
CHAIRMAN & MANAGING DIRECTOR

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

ANNEXURE "A"

FORMING PART OF THE DIRECTORS' REPORT :

Information in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2004.

A. CONSERVATION OF ENERGY :

1. Energy Conservation measures taken :
   i) Maintained high power factor throughout the year.

2. Additional investment and proposals, if any, being implemented for reduction of consumption of Energy :

   - NIL -

3. Impact of measures at (1) and (2) above for reduction of Energy Consumption and consequent impact on the production of goods.
   i) Reduction in power consumption.

4. Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the rules in respect of industries specified in the Schedule therefor.

   - N.A. -

B. TECHNOLOGY ABSORPTION :

I.	1. Specific area in which R&D carried out by the Company :	NIL
	2. Benefits derived as a result of the R&D :	NIL
	3. Future Plan of Action :	NIL
	4. Expenditure on R&D	(Rs in Lacs)
	a) Capital	Nil
	b) Recurring	Nil
	c) Total	Nil
	d) Total R&D expenditure as percentage of	
	Gross Turnover	Nil
	Net Turnover	Nil
II.	**TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION :**	
	1. Efforts, in brief, made towards technology absorption, adaption and innovation	NIL
	2. Benefits derived as a result of the above efforts :	NIL
	3. Technology imported	NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO : NIL

PLACE : BARODA.

For and on behalf of the Board

DATE : 14th September 2004.

(KIRAN SHAH)
CHAIRMAN & MANAGING DIRECTOR

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Code introduced by Securities and Exchange Board of India ["SEBI'] as adopted by incorporating a new clause no.49 in the Listing Agreement of The Stock Exchange and also by applicable provision of the Companies [Amendments] Act,2000, has been implemented by the Company effective from 3rd March,2002.

The company has taken necessary steps to comply with all the requirement of the guidelines on Corporate Governance as would be applicable to it.

1. **Board of Directors as on 31st March,2004**

The Board comprised of Directors. of whom one is Managing Director, one is Executive Director and two are Non-Executive Directors. The Chairman of the Board is Managing Director.

A. Composition of the Board for the period from 1st April'03 to 31st March'04:

Name of the Director	Status
Mr. Kiran Shah	Chairman cum Managing Director
Mr. Pravin Shah	Executive Director
Mr.Willingdon Christian	Non-Executive Director
Mr.C.S.Shah	Non –Executive Director

B. **Board Meeting:**

The meetings of the Board of Directors are scheduled well in advance. The notice convening the meeting and the detailed agenda is sent at least seven days in advance to all the Directors. The Board meets at least once a quarter to review the quarterly performance and financial results.

I. **Number of Board Meeting:**

During the year from 1st April, 2003 to 31st March, 2004 the Board of Directors met on the following dates:

Sr.No.	Date	Board Strength	No.of Directors present
1.	19/4/03	4	4
2.	30/6/03	4	3
3.	31/7/03	4	4
4.	31/10/03	4	4
5.	31/1/04	4	4
6.	27/3/04	4	4

II **Attendance of Directors:**

Name of the Directors	No.of Board Meetings held	No.of Board Meetings Attended	Attendance at the last annual general meetings	No.of Directorship in the other Board as on 31st March 2004	No.of Membership in other Board Committees as on 2003 31stMarch'2004
Kiran Shah	6	6	Present	Nil	Nil
Pravin Shah	6	6	Present	Nil	2
Willingdon Christian	6	6	Absent	Nil	3
C.S.Shah	6	5	Absent	Nil	2

2. Committees of Directors:

Non- Executive Directors, provide guidance to operating management on policy matters as well as in the monitoring actions of operating management. This involvement is formalized through constitution of designated committees of the Board. The Committees are intended to provide regular exchange of information and ideas between the Non –executive Directors and the operating management.

The Board has accordingly formed Committees which comply with the requirements of Clause

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

49 of the Listing Agreement with the Stock Exchanges and other appli cable provisions of the Companies [Amendment] Act, 2000.

[A] Audit Committee:

Audit Committee comprised of the following Executive Director and Non-Executive Directors of the board as per section 292 A of the Companies Act, 1956 :

Name of Director	Status
1. Mr. Pravin Shah	Executive Director
2. Mr.Willingdon Christian	Non-Executive Director
3. Mr.C.S.Shah	Non –Executive Director

Audit Committee meeting was held on 30th June, 2003 and 31th October , 2003

[B] Remuneration Committee:

I. Remuneration Committee comprised of the following Non-Executive Director and Non-Executive independent Directors of the Board:

Name of Director	Status
1. Mr.Willingdon Christian	Non-Executive Director
2. Mr.C.S.Shah	Non –Executive Director

Ii Remuneration Policy:

The Company follows a market linked remuneration policy, which is aimed at enabling the Company to attract and retain the best talent. The Company does not have an Employee Stock Option Policy.

Iii Board Terms of reference of the Remuneration Committee:

a. To recommend and review remuneration package of Managing Director/Executive Directors and Company Secretary of the Company.

b To present report to the Board on Remuneration package of Directors and Company Secretary.

Iv Details of remuneration paid to the Managing Director and Executive Director during the year ended 31st March,2004:

Name of Director		Salary	Perquisites	Total
Kiran Shah	Managing Director	300000/-	19200/-	319200/-
Pravin Shah	Executive Director	246000/-	18877/-	264877/-

The Above Managing Director and Executive Director have not been given any pack age of stock option, pension etc.

Terms of Contract :

Name of the Director	Date of Appointment	Expiry of the Contract
Shri Kiran Shah	01st April'2002	31st March 2007
Shri Pravin Shah	01st April'2002	31st March 2007

The above Managing Director/Executive Directors are required to give 3 months notice period for resignation as Managing Director/Executive Director. If before expiry of service contract their tenure of office of the Executive Directors is deter mined, they will be entitled compensation as per section 318 of the Companies Act.

a. Non – Executive Directors :

No sitting fee is paid to Non-Executive Directors.

No Remuneration committee meeting was held during the year

[C] Shareholders/Investors' Grievances Committee:

This committee, comprises of the following Executive Director and Non-Executive Director, reviewing Shareholder's complaints and resolution thereof.

Name of Director	Status
1. Mr. Pravin Shah	Executive Director
2. Mr.Willingdon Christian	Non-Executive Director

No Shareholders / Investors' Grievances Committee Meeting was held during the year ended 31st March'2004 as the Company did not receive any letter of major

www.reportjunction.com