

RAJASTHAN CYLINDERS & CONTAINERS LIMITED

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24th Annual Report

2003-2004

For Rajasthan Cylinders & Containers Ltd.


Auth. Signatory

S.P.-825, ROAD NO.14, V.K.I. AREA, JAIPUR

RAJASTHAN CYLINDERS & CONTAINERS LIMITED**24th Annual Report****BOARD OF DIRECTORS**

G.G. BAJORIA
S.G. BAJORIA
B.K. KHAITAN

Managing Director
Director
Director

BANKERS

CENTRAL BANK OF INDIA
ANAND BHAWAN
S.C. ROAD
JAIPUR.

AUDITORS

S.S. KOTHARI & CO.

**FACTORY &
REGISTERED OFFICE**

SP-825, ROAD NO. 14
VISHWAKARMA INDUSTRIAL AREA
JAIPUR.

NOTICE

Notice is hereby given that the Twenty fourth Annual General Meeting of Rajasthan Cylinders & Containers Limited will be held at SP-825, Road No.14, V.K.I. Area, Jaipur on Thursday the 30th September, 2004 at 11:00 A.M. to transact the following business:-

As Ordinary Business:

1. To consider and adopt the Audited Balance Sheet as on 31.3.2004 and the Profit & Loss Account for the year ended as on that date and the Report of Directors and Auditors thereon.
2. To appoint a director in place of Shri S.G.Bajoria who retires by rotation at the ensuing meeting and being eligible, offers himself for reappointment.
3. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

Notes:

- (a) A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member

The instrument appointing proxy should however be deposited at the share department of the company not less than forty eight hours before the commencement of the meeting.

- (b) The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2004 to 30th September, 2004 (both days inclusive) for the purpose of closure of transfer books.

Registered Office:
Board

SP-825, Road No. 14,
V.K.I. Area,
Jaipur-302013

By Order of the

sd/-
GIRDHAR BAJORIA
MANAGING DIRECTOR

Place: Jaipur
Date: 4th September, 2004

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty fourth Annual Report together with the Audited statement of Accounts of our Company for the year ended 31st March, 2004

FINANCIAL RESULTS	(Rs. in Lacs)	
	2003-2004	2002-2003
Surplus before Depreciation	131.28	113.28
Less : Depreciation	49.16	70.50
	-----	-----
Net Surplus from Operations	82.12	42.78
Less : Provision for Taxation	9.65	3.60
: Deferred Tax Liability	1.55	9.69
	-----	-----
	70.92	29.49
Add : Surplus from previous year	772.45	742.96
Surplus carried forward	843.37	742.45

CYLINDERS:

Your Directors have to state that the company could not achieve the target levels due to not availability of sufficient orders from the oil companies. Production during the year was 92889 cylinders as 202518 cylinders in previous year. Sales during the year was recorded Rs. 12.32.02 lacs as against Rs.1601.70 lacs in the previous year.

VALVE & REGULATORS:

During the year under review regular orders from the oil companies were received sufficiently as compared to previous year and the company achieved the production level of 919624 valves and 513494 Regulators as compared to 383074 valves and 166761 regulators in previous year.

GAS BOTTLING:

Gas bottling plant has also not recorded substantial capacity utilisation both on account of company's own marketing effort of BAJORIA GAS as well as contract filling for Reliance Petroleum Ltd.

OTHER ACTIVITY :

During the year under review the company has also entered into share trading, and also investing in mutual fund units by utilizing the surplus funds of the company.

PROSPECTS FOR THE NEXT YEAR:

At present the company is hopeful to get the sufficient orders for all three products namely cylinders, valves and Regulators in view of the demand of these products from the oil companies. Tenders have been floated by the oil companies for placement of orders. The company has participated in these tenders and is extremely hopeful of getting orders from the oil companies. However in view of the excess installed capacity in the country for all three products the company expects the rates to be extremely competitive and the margin will come under severe pressure.

FIXED DEPOSIT:

Your Company has not accepted any deposits from the public in the year under review.

DIRECTORS RESPONSIBILITY STATEMENT & OTHER INFORMATION:

Pursuant to the requirements under section 217 (2 AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

- 1) That in the preparation of the Accounts for the Financial Year ended 31st March, 2004 the applicable accounting standards have been followed.
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profit of the Company for the year under review.
- 3) That the Directors have taken proper and sufficient care 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 .
- 4) That the Directors have prepared the accounts for the financial year ended 31st march 2004 on a going concern basis.

AUDITORS:

M/s. S.S.Kothari & Co. , Chartered Accountants, Jaipur retire at the Annual General Meeting and being eligible offer themselves for re-appointment.

DIRECTOR:

Shri S.G.Bajoiria retires by rotation and being eligible offers himself for reappointment.

DIVIDEND:

The Board is of the opinion that the profits for the year should be ploughed back in order to conserve its resources for future expansion. The Board of Directors of the Company has decided not to recommend payment of dividend.

EMPLOYEES:

A Statement showing particulars as per section 217 (2A) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Reports of Board of Directors) Rule 1988 has not been appended as none of the employee has been paid in excess of the limits specified in the section.

ACKNOWLEDGEMENT:

The Board of Directors express their gratitude and its appreciation to the continued cooperation and support of Company's Banker, Financial Institution, Customs & Other Agencies. The Board also records its deep appreciation of the creditable services rendered by the Company's employees at all levels.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXPENDITURE:

Information in accordance with Section 217 (1)(e) of the Companies Act 1956, read with Companies (Disclosures of Particulars in the Reports of Board of Directors) Rule 1988 is given in the Annexure forming part of this Report.

For & On behalf of the Board

sd/-

(GIRDHAR BAJORIA)
MANAGING DIRECTOR

Place : Jaipur
Date: The 4th day of September, 2004

ANNEXURE TO DIRECTOR'S REPORT

FORM 'A'

ANNEXURE TO THE DIRECTORS' REPORT - INFORMATION UNDER SECTION 217 (1)(e) OF THE COMPANIES ACT 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTOR'S REPORT

A. CONSERVATION OF ENERGY:

Disclosure of particulars with respect to conservation of Energy (to the extent applicable.)

a. Power & Fuel Consumption

	Year ended 31.3.2004	Year ended 31.3.2003
1. Electricity :		
a) Purchased :		
Units (000)	760.963	873.216
Total Amount (Lacs)	35.30	44.05
Rate/Unit	4.64	5.04

b) Own Generation :
Through Diesel
Generator

A very small amount of electric power is generated through D.G. Set installed for the purpose of Emergency power supply whenever there is power outage from R.S.E.B. side to sustain the running plant.

b. Consumption per Unit :

Of production	8.19	4.69
LPG Cylinder	92889	202518

B. Technology Absorption:

The Company has not undertaken Research and Development (R&D) on Technology, Absorption, Adaptation and Innovation during the year.

C. Foreign Exchange Earnings and Outgoing:

	Rs. in Lacs.
	Current Year
1) Foreign Exchange earned	Nil
	Indian Rupees
2) Foreign Exchange used	RS.
Travelling Expenditure	23,000
Directors Foreign Travelling exp.	69,000
others	6,612
	for & on behalf of the Board

sd/-

(G.G. BAJORIA)

MANAGING DIRECTOR

Place : Jaipur

Date: The 4th day of September, 2004

RAJASTHAN CYLINDERS & CONTAINERS LIMITED**AUDITORS' REPORT**

To the Members,

1. We have audited the attached Balance Sheet of Rajasthan Cylinders & Containers Limited as at 31st March 2004 and the Profit & Loss Account of the said Company for the year ended on that date annexed hereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4-A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure, we state that:
 - (i) 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.
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
 - (iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report, comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v)
 - (a) *Provision for taxation has been made in accounts as discussed in Note No. 21 of Schedule 15*
 - (b) *No provision has been made in accounts for Rs 34,74,088 being fall in value of long term investment (Note No. 22 of Scheduler 15)*
 - (c) *Amounts overdue to SSI units (Note No. 15 of Schedule 15)*
 - (vi) According to information and explanations given to us and on the basis of written representations from directors of the company, taken on record by Board of Directors, none of the director is disqualified as at 31st March, 2004 from being appointed as a director under section 274(1)(g) of the Companies Act, 1956

- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to our notes/ comments in para (v) above and other notes thereon, 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 Balance Sheet, of the state of affairs of the Company as at 31st March 2004, and;
- (ii) In the case of Profit & Loss Account, of the profit of the Company for the year ended on that date.
- (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date

For **S.S. KOTHARI & CO.**
Chartered Accountants

Sd/-
(B.L. VERMA)
Partner
Membership No. 10900

Place : Jaipur

Dated : 4th day of September, 2004

ANNEXURE FORMING PART OF THE AUDITORS' REPORT

Referred to in the report of even date of the Auditors to members of Rajasthan Cylinders & Containers Limited

- (i)
 - (a) As explained to us, the company is not maintaining fixed assets records showing full particulars including quantitative details and situations of its fixed assets, for last few years and current year which are stated to be under preparation.
 - (b) As informed to us, part of the assets have been physically verified by the management in accordance with a phased programme of verification; however such physical verification reports were not available for our verification. As informed to us, no material discrepancies have been noticed on such verification; however we could not verify such discrepancies in absence of fixed assets records and physical verification report.
 - (c) During the year, the company has not disposed off substantial part of fixed assets and this has not affected the going concern.
- (ii)
 - (a) As per information furnished, the inventory lying at its location have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.