

RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

34th Annual Report

2013-14

SP-825, ROAD NO.14, V.K.I. AREA, JAIPUR-302013

BOARD OF DIRECTORS

S.G. BAJORIA (Din No. 01102078)	Chairman
AVINASH BAJORIA (Din No. 01402573)	Managing Director
RAGHUNANDAN JALAN (Din No. 00966229)	Director
PRATAP KUMAR MONDAL (Din No. 06730854)	Director
DAMODAR PRASAD SODHANI (Din No. 01177651)	Director

COMPANY SECRETARY

ANISHA JAIN

CFO

SURESH JAIN

BANKERS

CENTRAL BANK OF INDIA
ANAND BHAWAN
S.C. ROAD
JAIPUR-302001.

AUDITORS

S.S.SURANA & CO..

**REGISTRAR &
SHARE TRANSFER AGENT**

BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.
BEETAL HOUSE, 3RD FLOOR, 99, MADANGIR,
BEHIND LOCAL SHOPPING CENTRE,
NEAR DADA HARSUKHDAS MANDIR
NEW-DELHI -110062
Tel. No. 011-29961281 Fax No. 011-29961284
Email- beetal@beetalfinancial.com

**FACTORY &
REGISTERED OFFICE**

SP-825, ROAD NO. 14
VISHWAKARMA INDUSTRIAL AREA
JAIPUR-302013
CIN NO. L28101RJ1980PLC002140
WEB SITE : WWW.BAJORIAGROUP.IN

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NOTICE

Notice is hereby given that the Thirty Fourth Annual General Meeting Of M/S RAJASTHAN CYLINDERS AND CONTAINERS LIMITED will be held at SP-825, Road No. 14, VKI Area, Jaipur - 302013 on Tuesday, September 30th, 2014 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a director in place of Mr. Sree Gopal Bajoria (holding DIN 01102078), who retires by rotation and being eligible offers himself for re-appointment.

3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution** :

"RESOLVED THAT pursuant to the provisions of Companies Act, 2013 and the rules made thereunder and pursuant to the recommendation of audit committee of Board of Directors, M/s. S.S. Surana & Co., Chartered Accountants (ICAI Registration No.001079C) be and are hereby re-appointed as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of 40th Annual General Meeting of the company to be held in the year 2020 (subject to ratification of appointment by the members at every Annual General Meeting held after this Annual General Meeting) at such remuneration as shall be fixed by the Board of Directors of the company."

SPECIAL BUSINESS:

4. To appoint Mr. Damodar Prasad Sodhani (holding DIN 01177651) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and clause 49 of the Listing Agreement, Mr. Damodar Prasad Sodhani (holding DIN 01177651), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the companies act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Independent Director of the Company with effect from September 30, 2014 to September 29, 2019, not liable to retire by rotation."

5. To appoint Mr. Pratap Kumar Mondal (holding DIN 06730854) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and clause 49 of the Listing Agreement, Mr. Pratap Kumar Mondal (holding DIN 06730854), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the companies act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Independent Director of the Company with effect from September 30, 2014 to September 29, 2019, not liable to retire by rotation."

6. To appoint Mr. Raghunandan Jalan (holding DIN 00966229) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and clause 49 of the Listing Agreement, Mr. Raghunandan Jalan (holding DIN 00966229), a non-executive director of the company in respect of whom the Company has received a notice in writing under Section 160 of the companies act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Independent Director of the Company with effect from September 30 , 2014 to September 29, 2019, not liable to retire by rotation.”

By order of the Board

Sd/-

Place: Jaipur
Date: 2nd September, 2014
Registered Office:
SP-825, Road No.14,
VKI Area, Jaipur-302013.
CIN No. L28101RJ1980PLC002140

(Avinash Bajoria)
Managing Director
DIN No. : 01402573

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from September 26th , 2014 to September 30th , 2014 (both days inclusive) for annual closing .
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Members / Proxies should bring the duly filled attendance slip enclosed herewith to attend the meeting.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. Members are requested to send their demat/ remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's Registrar And Share Transfer Agent, M/s BEETAL Financial & Computer Services Pvt. Ltd. , BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
8. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

9. The Notice of AGM alongwith the Annual Report 2013-14 is being sent by electronic mode to those members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.

10. Members may also note that the Notice of the Thirty Fourth Annual General Meeting and the Annual Report for the financial year 2013-14 will also be available on the Company's website www.bajoriagroup.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@bajoriagroup.in.

11. Members who have not registered their email address are requested to register the same with the Registrar And Share Transfer Agent/Depositories as the same has been mandated under the New Companies Act, 2013.

12. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the company during business hours on all working days upto the date of Annual General Meeting.

13. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Thirty Fourth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" i.e. "RAJASTHAN CYLINDERS AND CONTAINERS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL

platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Rajasthan Cylinders And Containers Limited which is 140901072 on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on September 25, 2014 at 9:00 a.m. and ends on September 26, 2014 at 6:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) being September 5, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on September 5, 2014.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (E) Mr. Arun Kumar Shrivastav, Chartered Accountant in practice (Membership No. 411224) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (F) The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (G) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.bajoriagroup.in and on the website of service provider www.evotingindia.com within two(2) days of passing of the resolutions at the AGM of the Company.

I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Damodar Prasad Sodhani was appointed as an Additional Director of the company w.e.f 30.09.2013 as per the terms of Section 161(1) of Companies act, 2013 and as per the provisions, the term of his office will expire at this ensuing Annual General Meeting. The company has received a notice in writing under the provisions of Section 160 of the companies act, 2013 from the member alongwith the deposit of Rs. 1,00,000/-proposing the candidature of Mr. Damodar Prasad Sodhani for the office of Independent Director, to be appointed as such under the provisions of Section 149 of Companies Act, 2013.

Mr. Damodar Prasad Sodhani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Also, he has given the declaration to the effect that he meets the criterion of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. And in the opinion of the Board, Mr. Damodar Prasad Sodhani fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

The resolution seeks the approval of members for the appointment of Mr. Damodar Prasad Sodhani as an Independent Director of the company with effect from September 30, 2014 to September 29, 2019 pursuant to Section 149 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

The terms and conditions of appointment of Mr. Damodar Prasad Sodhani as Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Damodar Prasad Sodhani is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

The Board recommends this resolution for approval of members.

Item No.5

Mr. Pratap Kumar Mondal was appointed as an Additional Director of the company w.e.f 21.11.2013 as per the terms of Section 161(1) of Companies act, 2013 and as per the provisions, the term of his office will expire at this ensuing Annual General Meeting. The company has received a notice in writing under the provisions of Section 160 of the companies act, 2013 from the member alongwith the deposit of Rs. 1,00,000/-proposing the candidature of Mr. Pratap Kumar Mondal for the office of Independent Director, to be appointed as such under the provisions of Section 149 of Companies Act, 2013.

Mr. Pratap Kumar Mondal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Also, he has given the declaration to the effect that he meets the criterion of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. And in the opinion of the Board, Mr. Pratap Kumar Mondal fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

The resolution seeks the approval of members for the appointment of Mr. Pratap Kumar Mondal as an Independent Director of the company with effect from September 30 , 2014 to September 29, 2019 pursuant to Section 149 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

The terms and conditions of appointment of Mr. Pratap Kumar Mondal as Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Pratap Kumar Mondal is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

The Board recommends this resolution for approval of members.

Item No. 6

Mr. Raghunandan Jalan is a Non-Executive (Independent) Director of the company. He joined the Board of Directors on 14th December, 2010. In terms of Section 149 and other applicable provisions of Companies Act, 2013, Raghunandan Jalan being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director for a term of five years.

The company has received a notice in writing under the provisions of Section 160 of the companies act, 2013 from the member alongwith the deposit of Rs. 1,00,000/-proposing the candidature of Mr. Raghunandan Jalan for the office of Independent Director, to be appointed as such under the provisions of Section 149 of Companies Act, 2013.

Mr. Raghunandan Jalan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Also, he has given the declaration to the effect that he meets the criterion of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. And in the opinion of the Board, Mr. Raghunandan Jalan fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

The resolution seeks the approval of members for the appointment of Mr. Raghunandan Jalan as an Independent Director of the company with effect from September 30 , 2014 to September 29, 2019 pursuant to Section 149 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

The terms and conditions of appointment of Mr. Raghunandan Jalan as Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Raghunandan Jalan is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

The Board recommends this resolution for approval of members.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:

1. Mr. Sree Gopal Bajoria

Mr. SreeGopalBajoria is a Chairman of the company serving the company for more than the decade, and he is a Commerce graduate with rich experience of over 45 years in manufacturing, trading and export activities covering all functions of general management as liason in public relation for the Bajoria Group of Industries. He is in-charge for co-ordination of various projects, project development, new business diversification and expansion for the Bajoria Group Industries.

Companies (other than Rajasthan Cylinders And Containers Limited) Mr. SreeGopalBajoria holds the Directorship :

1. Beekay Niryat Ltd. 2. Agribiotech Industries Ltd. 3. Cairo Niryat Pvt. Ltd. 4. Rameshwar Properties Pvt. Ltd.
5. Swayambhu Construction Pvt. Ltd. 6. Mayawati Trading Pvt. Ltd. 7. Beetal Tie – up Pvt. Ltd. 8. Protect Vanijya Pvt. Ltd. 9. Swagatam Procon Pvt. Ltd.

Membership / Chairmanship of Committees of other public companies	:	NIL
No. of Shares held in the Company	:	5,47,425

2. Mr. Damodar Prasad Sodhani

Mr. Damodar Prasad Sodhani is non – executive and Independent Director of our company. He is 54 years old. He is a commerce graduate and has experience in the areas of finance, commercial, banking, accounts and general management and brings value addition to the company. He is a chairman of Audit Committee and a member of Remuneration Committee and Shareholders Grievance Committee in our company.

Companies (other than Rajasthan Cylinders And Containers Limited) Mr. Damodar Prasad Sodhani holds the Directorship :

1. Lifestyle Apparels Private Limited 2. Beetle Tie – Up Private Limited

Membership / Chairmanship of Committees of other public companies	:	NIL
No. of Shares held in the Company	:	NIL

3. Mr. Pratap Kumar Mondal

Mr. Pratap Kumar Mondal is non-executive and independent Director of our company. He is 63 years old. He is a commerce graduate and having wide experience of Manufacturing Industry. He is having active interest in rendering valuable advice in shaping the execution of strategies. He is a chairman of Remuneration Committee and Shareholders Grievance Committee of the company.

Companies (other than Rajasthan Cylinders And Containers Limited)

Mr. Pratap Kumar Mondal holds the Directorship	:	NIL
Membership / Chairmanship of Committees of other public companies	:	NIL
No. of Shares held in the Company	:	NIL

4. Mr. Raghunandan Jalan

Mr. Raghunandan Jalan is Graduate in Commerce and is non-executive Director / Independent Director with having rich experience of over 46 years in manufacturing, trading and export activities covering all functions of general management.

Companies (other than Rajasthan Cylinders And Containers Limited) Mr. Raghunandan Jalan holds the Directorship :

1. Naman Broking Solutions Private Limited 2. Mars Comotrade Private Limited 3. Mars Bullion Trade Private Limited 4. AnantaVinimay Private Limited 5. Nathmal Jalan & Sons Realtech Private Limited

Membership / Chairmanship of Committees of other public companies	:	NIL
No. of Shares held in the Company	:	NIL

By order of the Board

Sd/-

(Avinash Bajoria)

Managing Director

DIN No. : 01402573

Place : Jaipur

Date : 2nd September, 2014

Registered Office:

SP-825, Road No.14,

VKI Area, Jaipur-302013.

CIN No. L28101RJ1980PLC002140

DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present this Thirty Fourth Directors' Report together with the audited annual accounts of the company for the financial year ended March 31, 2014.

FINANCIAL PERFORMANCE

The highlights of the financial position for the year as compared to the corresponding period in the previous year are given below:

FINANCIAL RESULTS	FY 2013-14 (Rs. In Lacs)	FY 2012-13 (Rs. In Lacs)
Surplus before Depreciation (A)	62.14	89.65
Less: Depreciation (B)	55.43	63.05
Net Surplus from Operations (A-B)	6.71	26.60
Less : Adjustment for Income Tax	10.43	13.24
Less : Deferred Tax Liability	(4.69)	(2.30)
TOTAL	0.97	15.66
Add : Surplus from Previous Year	2,097.83	2,082.17
Less : Utilized for issue of Bonus Shares	112.05	-
Surplus Carried Forward	1,986.75	2,097.83

PROSPECTS FOR THE CURRENT YEAR

During the year 2013-14 the company continuously witnessed difficult period. The non- revision of the prices of cylinders by the oil marketing companies(OMC) corresponding to increase in input cost over last couple of years is not only affecting the profitability of the Company but finding it difficult to maintain its market share in cylinder supply at lower prices. With the increase in competition and also lower sales realization the company is now also experiencing locational disadvantage on account of higher freight due to increase in diesel prices.

OPERATIONS :

PRODUCTION AND SALES : During the year the production of Cylinders, Valves and regulators were 4,05,350 ; 32,92,891 and 62,100 as compared to the production 3,07,405 ; 31,23,391 and 1,92,460 respectively during the previous year. Sales during the year were recorded as Rs. 7,622.14 as against Rs.6,674.87Lacs in the previous year. The Company is continuously taking necessary steps to control the cost so that there should not be any operational losses.

DIVIDEND :

In order to preserve the funds for further diversification, the Board of Directors of the Company has decided not to recommend payment of dividend for the financial year 2013-14.

CHANGE IN CAPITAL STRUCTURE

During the year, the authorized share capital of the company was increased from Rs. 3 Crores divided into 30 lakhs Equity Shares of Rs. 10/- each to Rs. 7 Crores divided into 70 Lakhs Equity Shares of Rs. 10/- each.

Post 31st March, 2013, the company issued and allotted 11,20,532 Bonus Equity Shares of face value of Rs. 10/- each to the existing shareholders in the ratio of 1:2 i.e. One equity share for every two equity shares held on record date thereby increasing the paid up share capital of the company to Rs. 3,36,15,950/-.

BOARD OF DIRECTORS

In terms of the provisions of Companies Act, 2013 and Articles of Association of the company, Mr.Damodar Prasad Sodhani and Mr.Pratap Kumar Mondal were appointed as Additional Directors of the company w.e.f. 30th September, 2013 and 21st November, 2013 respectively.

In terms of Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of upto five consecutive years on the Board of Directors of your company and are not liable to retire by rotation. Accordingly, the Board at its meeting held on 29th May, 2014 recommended the appointment of Mr.Damodar Prasad Sodhani and Mr.Pratap Kumar Mondal as Independent Directors of the company, upto five consecutive years with effect from September 30, 2014 to September 29, 2014, not liable to retire by rotation. Also the Board has recommended the appointment of Mr.Raghunandan Jalan as Independent Director of the Company upto five consecutive years with effect from September 30, 2014 to September 29, 2014.

These Directors have given the declarations to the Board that they meet the criterion of independence as provided under section 149 of Companies Act, 2013.

Appropriate resolutions for the appointment/ re-appointment of Directors are being placed before the members for approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice.