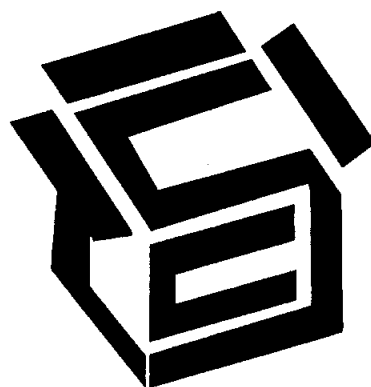


SOLID CONTAINERS LIMITED



**ANNUAL
REPORT
2001-2002**

SOLID CONTAINERS LIMITED

BOARD OF DIRECTORS :

Shri Ashok Kumar Goel

Shri Cyrus Bagwadia - Executive Director

Shri Shyam Sunder Rathi - Nominee - IDBI (Resigned w.e.f. 01.07.2002)

Shri Motisingh Chauhan

Shri R. Chandrasekhar

REGISTERED OFFICE :

Tiecicon House,
Dr. E. Moses Road,
Mumbai - 400 011.

WORKS :

Vadavali, P.O. Mohone,
Dist. : Thane - 421 102.

AUDITORS :

M/s. MGB & Co.
Chartered Accountants

BANKERS :

Canara Bank
Dr. A. B. Road, Worli,
Mumbai - 400 018.

SOLID CONTAINERS LIMITED**NOTICE**

NOTICE is hereby given that the **Thirty seventh** Annual General Meeting of **SOLID CONTAINERS LIMITED** will be held at Tielcon House, Dr. E. Moses Road, Mumbai - 400 011, the Registered Office of the company on **Friday, 22nd November, 2002** at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31st March 2002, and Balance Sheet as on that date, and the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Ashok Kumar ~~Goel who retires by rotation~~ and being eligible, offers himself for re-appointment.
3. To consider, and if thought fit, to pass, with or without modification, the following resolution as a special resolution:

"RESOLVED that pursuant to the provisions of section 224A of the Companies Act, 1956, M/s MGB & CO., Chartered Accountants, Mumbai be and are hereby appointed as auditors of the company to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and Board of Directors be and is hereby ~~authorised~~ to fix their remuneration."

BY ORDER OF THE BOARD
FOR **SOLID CONTAINERS LIMITED**

Place : Mumbai.

Date : 11th October, 2002

CYRUS BAGWADIA
EXECUTIVE DIRECTOR

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
3. Shareholders are requested to kindly bring their copies of **Annual Report** to the Meeting.

Annual Report 2001-2002**DIRECTORS' REPORT**

To,

The Members,
Solid Containers Ltd.

Your Directors have pleasure in presenting the thirty-seventh Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2002.

FINANCIAL RESULTS :

	(Rs. in Lacs)	
	Year ended 31.03.2002	Year ended 31.03.2001
Sales	0	0
Loss before Depreciation & Extra-ordinary Items	273	296
Depreciation	88	89
Extra-ordinary Items	0	0
Loss for the year	361	385

PREFERENCE CAPITAL

During the year, the Company has issued 60,00,000/- 9% Redeemable, Cumulative, Preference Shares of 10/- each aggregating to Rs. 6,00,00,000/- (Rupees Six crores only) to the promoters. The promoters have brought in additional funds to the tune of 781 lacs to pay back the entire liabilities of the financial institutions and for other obligations of the Company.

DIVIDEND :

Your Directors regret their inability to recommend dividend in view of loss incurred during the year.

OPERATIONS REVIEW :

There have been no significant changes in the market conditions. Plants with small capacities are increasingly getting uncompetitive in the market. It has become increasingly difficult to achieve competitive costs for small capacity plants. Your company has been examining various options including relocation of the lines to overseas market, where such capacities can be viably operated. We have not met with success in these initiations. The types of offers we have been getting are on unattractive terms and may not be in the interest of the company to pursue. We shall continue to look for the best opportunity and till such time, the operations of the plant will continue to be suspended.

DIRECTORS:

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Shri. Ashok Kumar Goel, director of the company retires by rotation and being eligible, offers himself for reappointment.

SOLID CONTAINERS LIMITED**AUDITORS :**

M/s. MGB & Co., Chartered Accountants, retires and being eligible, offers themselves for reappointment as Auditors. The reappointment shall be in accordance of Section 224A of the Companies Act, 1956.

AUDITORS' REPORT :

The qualification and observations made by the Auditors in their report are self-explanatory.

PARTICULARS OF EMPLOYEES :

None of the Employees was in receipt of remuneration in excess of the limit specified under Section 217 (2A) of the Companies Act, 1956, and Companies (Particulars of Employees) Rules, 1975.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000, Director's confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- 2) Appropriate Accounting Policies have been selected and applied consistently and have made judgment 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, 2002
- 3) 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.
- 4) The annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO :

In accordance with the requirement of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 were not applicable since there was no operation during the year.

ACKNOWLEDGEMENTS :

The Board of Directors expresses their gratitude to Shareholders of the Company for their continuous support.

BY ORDER OF THE BOARD
FOR SOLID CONTAINERS LIMITED

Place : Mumbai
Date : 11th October, 2002

CYRUS BAGWADIA
EXECUTIVE DIRECTOR

Annual Report 2001-2002**AUDITORS' REPORT**

To,

The Members of
SOLID CONTAINERS LTD.

- 1 We have audited the attached Balance Sheet of SOLID CONTAINERS LIMITED as at 31st March 2002 and the relative Profit and Loss Account for the year ended on that date, both of which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We have conducted our audit in accordance with auditing standards generally accepted in India. Those 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 disclosure in the financial statement. An audit also includes assessing the accounting principles used and significant estimate 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 the Manufacturing and Other Companies (Auditor's 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 information and explanations given to us during the course of audit and such checks as we considered appropriate, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said Order.
- 4 Attention is invited to the following:
 - i) Note No. 5 regarding presentation of accounts on the basis applicable to a going concern despite substantial operating losses due to suspension of commercial operation of the company.

As at present operation of the company stand suspended, however preparation of accounts on a "going concern basis" has been continued in the absence of adequate data for compilation on an alternative basis. Consequently no adjustments are made in the accounts relating to recoverability of recorded assets amounts and in respect of liabilities as might be necessary for compilation in an alternative basis.
 - ii) Note No. 8 relating to appropriateness of the Depreciation Policy relating to Fixed Assets considering the current level of operations.
- 5 Further to our comments in the annexure referred to in Paragraph 3 above, we report that:
 - a) 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.
 - b) In our opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of those books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance sheet and Profit and Loss Account comply with the mandatory Accounting Standards referred in the Section 211 (3C) of the Companies Act, 1956 to the extent applicable to the Company except stated otherwise.