

**12TH ANNUAL REPORT
2004-2005**



YASHRAJ CONTAINEURS LIMITED



YASHRAJ CONTAINERS LIMITED

12th ANNUAL REPORT 2004-2005

CORPORATE INFORMATION

* BOARD OF DIRECTORS *

MR. JAYESH V. VALIA	Executive Chairman
MR. UMASHANKAR S. NAIR	Director
MR. SHASHIKANT K. KITTUR	Director
MR. MARUTI S. PATIL	Director

* STATUTORY AUDITORS *

J. R. Shah & Associates
Chartered Accountants

* REGISTERED OFFICE *

401, Court Chambers, S. V. Road,
Borivli (West), Mumbai - 400 092.

* REGISTRARS & SHARE TRANSFER AGENTS *

Sharex Dynamic (India) Pvt. Ltd.

* BANKERS *

Bank of India
ICICI Bank Ltd.

* FACTORY *

Madhav Udhyog, S.No. 260/6-7
Bhimpore Char Rasta,
Bhimpore, Daman - 396210.

* FINANCIAL INSTITUTIONS *

Industrial Development Bank of India.
Gujarat State Financial Corporation

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Date : 31st December, 2005	Notice	2
Day : Saturday	Directors' Report	4
Time : 11.00 am	Corporate Governance Report	6
Place : Conference Hall,	Auditors' Report	8
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Mumbai - 400 092.	Schedules	13
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YASHRAJ CONTAINERS LIMITED**12th ANNUAL REPORT
2004-2005****NOTICE**

NOTICE is hereby given that the Twelveth Annual General Meeting of the Members of YASHRAJ CONTAINERS LIMITED, will be held on Saturday, December 31, 2005, at the Conference Hall, Sheth, M.K. High School, Factory Lane, Borivli (West), Mumbai 400 092, at 11.00 a.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2005, and the Profit and Loss Account for the year ended on that date along with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Dr. Jayesh V. Valia, a Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

Mr. Shashikant K. Kittur be and is hereby appointed as a Director of the Company

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

Mr. Maruti Shankarrao Patil be and is hereby appointed as a Director of the Company.

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/HERSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and The Share Transfer Register remained closed between September 24, 2005, and September 30, 2005, (both days inclusive)
3. An Explanatory Statement under Section 173 (2) of the Companies Act, 1956, dated 23.11.2005 and forming part of this Notice dated 23.11.2005 is enclosed herewith.
4. The members are requested to :
 - a) Intimate changes, if any, in their registered addresses at an early date.
 - b) Quote ledger folio nos. in all their correspondence.
 - c) Bring copies of the Annual Report and the Attendance Slips at the Annual General Meeting.

Registered Office : **BY ORDER OF THE BOARD**

401, Court Chambers,
S. V. Road, Borivli [West], (DR. JAYESH V. VALIA)
Mumbai - 400 092. Executive Chairman

Place : Mumbai

Date : 23.11.2005



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF
THE COMPANIES ACT, 1956, AND FORMING PART OF THE NOTICE
CONVENING, THE 12TH ANNUAL GENERAL MEETING AND DATED 23.11.2005**

**ITEM NO.4
APPOINTMENT OF DIRECTOR**

Mr. Shashikant K. Kittur was appointed as an Additional Director in the Board Meeting held on January 24, 2005, and his tenure expires on 31st December, 2005. His appointment has to be approved by the members in the forthcoming Annual General Meeting otherwise he ceases to be a Director. Your Company has received a proposition from a member to appoint him. So you are requested to approve his appointment.

The Directors recommend the resolution for members' approval.

None of the Directors other than Mr. Shashikant K. Kittur is concerned or interested in the resolution. Mr. S. K. Kittur is deemed to be interested in the resolution to the extent of his appointment.

**ITEM NO.5
APPOINTMENT OF DIRECTOR**

Mr. Maruti Shankarrao Patil has been appointed as an Additional Director in the Board Meeting held on August 31, 2005. His tenure expires on 31st December, 2005. Your Company has received a proposition from a member to appoint him. His appointment has to be approved by the members in the forthcoming Annual General Meeting, otherwise he ceases to be a Director. So you are requested to approve his appointment.

The Directors recommend the resolution for members' approval.

None of the Directors other than Mr. Maruti Shankarrao Patil is concerned or interested in the resolution. Mr. Maruti Shankarrao Patil is deemed to be interested in the resolution to the extent of his appointment.

Registered Office :

401, Court Chambers,
S. V. Road, Borivli [West],
Mumbai - 400 092.

Place : Mumbai

Date : 23.11.2005

BY ORDER OF THE BOARD

(DR. JAYESH V. VALIA)
Executive Chairman

YASHRAJ CONTAINEURS LIMITED**12th ANNUAL REPORT****2004-2005****DIRECTORS' REPORT**

To,

The Members,

Your Directors are pleased to present the Twelveth Annual Report and the Audited Statement of Accounts of your Company for the year ended on 31st March, 2005.

Your Board of Directors adopted the accounts for the year ended on 31.3.2005 on 22.10.2005 and subsequently in the Board Meeting held on 31.10.2005. Your Board of Directors decided to get the Fixed Assets of your Company revalued and re-adopted the accounts of your Company on 23.11.2005 incorporating therein the impact of the Government approved Valuers Report dated 21.11.2005.

FINANCIAL RESULTS**Amount in Rupees**

	Year ended 31.03.2005 (RS.)	9 months Period ended 31.03.2004 (RS.)
Turnover	575696345	306965251
Profit/(Loss) Before Depreciation, Finance Charges & Taxation	17479686	2961920
Profit/(Loss) before Depreciation & Taxation	(42424165)	(46990277)
Profit/(Loss) after Depreciation & Taxation	(64915674)	(54305163)
Surplus (Deficit) of Profit and Loss Account of earlier year	(2433293)	(49162313)
Balance carried over to Balance sheet	(265880812)	(2433293)

DIVIDEND

During the year under review, owing to the loss, the Directors do not recommend any dividend.

FIXED DEPOSITS

The Company has not invited or accepted any Fixed Deposits from the public, during the year under review.

DIRECTORS

During the year under review Dr. Jayesh V. Valia, retires by rotation at the conclusion of this meeting and being eligible offers himself for re-election.

REFERENCE TO BIFR

Your Company made a reference to the Honourable Board for Industrial and Financial Reconstruction, New Delhi, (BIFR) and the BIFR Authority after scrutiny of your Company's application registered your company as a Sick Industrial Unit by granting the registration No.164/2002 dated April 9, 2002. Your Company is fully geared up to go through the required procedural matters which are yet to commence in the near future. Your Company's registration with BIFR Authority is in force.

Your Company was summoned to appear for Hearing on July 11, 2005, in New Delhi in BIFR Office. Your Company attended the Hearing and the BIFR Authorities have yet to decide on that issue.

DIRECTORS' RESPONSIBILITY STATEMENT

Statement under sub-section (2AA) of Section 217 of the Companies Act, 1956 :

In the preparation of the Annual Accounts:

- i) the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given.
- ii) the Directors have 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 at the end of the financial year and of the profit or loss of the Company for that year.
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iii) the Accounts have been prepared on a going concern basis.

PERSONNEL

The Personnel relations with the employees at all levels continued to remain cordial and peaceful during the year under review.

PARTICULARS OF EMPLOYEES

There were no employees, who were in receipt of remuneration of Rs.24,00,000/- or more per annum, if employed for the full year or Rs.2,00,000/- or more per month, if employed for part of the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information in accordance with 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 is given in the Annexure 'B' forming part of this Report. Form



A requiring disclosure of particulars with respect to Conservation of Energy is not applicable in the case of your Company.

STOCK EXCHANGE

The Company is listed on the following Stock Exchange.

1. The Stock Exchange - Mumbai.

Your Company is listed on Mumbai Stock Exchange and the Annual Listing fee is paid.

FUTURE PROSPECTS

The Directors trust that the future prospects are encouraging for the Company as the Plant and Machinery is the most ultra modern and sophisticated and your Company's products have got recurring demand and they have been used in Industrial Application.

AUDITORS

M/s. J. R. Shah and Associates, Chartered Accountants, Mumbai, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Directors recommend M/s. J. R. Shah & Associates to be re-appointed as Statutory Auditors.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with The Stock Exchange, the Management Discussion and Analysis and the Report on Corporate Governance together with Auditors Certificate form a part of the Annual Report.

The Auditors have qualified their report in respect of non-compliance of certain Corporate Governance norms referred to in the coverage on Corporate Governance Report forming part of the Annual Report. The said Corporate Governance Report on non-Compliance with Clause 49 of the Listing Agreement is self-explanatory and do not require further elucidation.

Your Company could not comply with the statutory requirements of formation of various Committees due to inadequacy of strength of Directors.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere appreciation of the dedicated and devoted services rendered by the employees of the Company at all levels and are grateful to the Company's Bankers, Financial Institutions for their timely assistance and co-operation in the working of your Company. Your Directors also thank the customers, shareholders and the suppliers of your Company for their co-operation and valuable support.

FOR & ON BEHALF OF THE BOARD

(DR. JAYESH V. VALIA)
Executive Chairman

Place : Mumbai
Date : 23.11.2005

ANNEXURE TO THE DIRECTORS' REPORT

Particulars as required under Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March, 2005.

I. RESEARCH & DEVELOPMENT (R & D)

- | | |
|--|------|
| a) Specific areas in which R & D carried out by the Company. | None |
| b) Benefits derived as a result of the above R & D | None |
| c) Further plan of action:- | None |
| d) Expenditure on Research & Development | None |

II. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

- | | |
|--|-----|
| a) Efforts in brief made towards Technology, Absorption, Adaptation and Innovation | Nil |
| b) Benefit derived as a result of the above effort | Nil |
| c) Particulars of Technology imported during the last 5 years | Nil |

III. FOREIGN EXCHANGE EARNINGS & OUTGO

- | | |
|---|---|
| a) Activities relating to exports and export plans: | Nil |
| | Current Year Rs. Previous Year Rs. |
| b) Total Foreign Exchange Used & Earned: | |
| i) Foreign Exchange Used | 589613 Nil |
| ii) Foreign Exchange Earned | Nil Nil |

FOR & ON BEHALF OF THE BOARD

(DR. JAYESH V. VALIA)
Executive Chairman

Place : Mumbai
Date : 23.11.2005

YASHRAJ CONTAINERS LIMITED**12th ANNUAL REPORT****2004-2005****CORPORATE GOVERNANCE REPORT**

1. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT YASHRAJ CONTAINERS LTD. (YCL)** firmly believes that good Corporate Governance results in regulation of the affairs of your Company in a most transparent, ethical and accountable manner. This is not only the need of the hour but also a means to satisfy the aspirations of all those concerned with Corporate World

Adherence to Corporate Governance ensures greater level of transparency and accountability, fairness in operations, full disclosure, integrity and compliance of laws. Your Company is committed to administer good Corporate Governance to the extent possible even during its continued sickness and other related matters.

YASHRAJ CONTAINERS LTD. recognizes the value of adherence to Corporate Governance in its true sense which alone can ensure continuation of belief and the trust reposed by one and all in your company

2. TABLE OF ATTENDANCE OF DIRECTORS AND MEETINGS HELD

Name Of Directors	No. of Meetings In a Year	Attendance	Remuneration Committee Meetings	Attendance
1) Dr. Jayesh Valia	10	10	2	-
2) Mr. S. S. Babhulkar	10	3	2	1
3) Mr. Umashankar Nair	10	9	2	2
4) Mr. S. K. Kittur	10	3	2	1
5) Mr. Sunil K. Bansal	10	1	2	-
6) Mr. S. Ramji	10	5	2	1

3. LIST OF DIRECTORS

1. Mr. Jayesh Valia - EXECUTIVE CHAIRMAN
2. Mr. S. S. Babhulkar - DIRECTOR - Resigned and relieved on 24.1.2005
3. Mr. Umashanka Nair - DIRECTOR
4. Mr. S. K. Kittur - Joined the Board on 24.1.05
5. Mr. S. K. Bansal - IDBI NOMINEE DIRECTOR - Withdrawn by IDBI On 23.6.2004
6. Mr. S. Ramji - IDBI NOMINEE DIRECTOR - Appointed by IDBI On 23.6.2004 and withdrawn by IDBI on 24.1.2005
7. Mr. M. S. Patil - Joined the Board on August 31, 2005

4. General Shareholder's Information

1. Annual General Meeting
Day, Date and Time : By Separate Communication
5. **Finanacial Calendar (2004 - 2005)**
Annual General Meeting for the year ending 31st March, 2005.
6. **Book Closure Date** : 24.9.2005 to 30.9.2005
7. **Dividend Payment Date** : Not applicable since dividend not declared
8. **Registered Office** : 401, Court Chambers, S. V. Road, Borivli (W), Mumbai - 400092.
9. **Listing on Stock Exchange** : Equity Shares
The Stock Exchange - Mumbai, Dalal Street, Mumbai - 400023.
10. **Stock Market Information**
i) Stock Code : 30063
The Stock Exchange - Mumbai
11. **Registrar & Transfer Agents** : M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Industrial Premises, Safeed Pool,
Andheri Kurla Road, Andheri East, Mumbai - 400 072.

Share Transfer System : Your Company's Equity Shares are admitted with the Depository System of National Securities Depository Limited (NSDL) and Central Depository (India) Limited (CSDL) as an eligible security under the Depositories Act, 1996. As such, facilities for dematerialisation of your Company's Equity Shares are available vide INE No.095 CO 10 18 at both the depositories. Your Company's Equity Shares are under compulsory dematerialisation.



12. a) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2005

No. of Equity Share held	No. of Share Holders	% of Holders	No. of Share Held	% of Shares Held
001-500	4022	92.59	513433	10.69
501-1000	165	3.80	141987	2.96
1001-5000	124	2.85	287929	6.00
5001-10000	14	0.32	105135	2.19
10001-100000	13	0.30	256316	5.34
100001-above	6	0.14	3495200	72.82
Total			4800000	100.00

12. b) Categories of Shareholders as on 31st March, 2005

Particulars	No. of Shares	% of Total Share Holding
Promotor group	2477300	51.61
Financial Institutions/Banks/ Insurance Companies / Mutual Funds	-	-
FII's / NRIs / OCBs / Other Foreign Shareholders (Other than Promotor Group)	139761	2.91
Public & Others	-	-
2182939	45.48	
TOTAL	4800000	100.00

13. **Dematerialisation of Shares and Liquidity** : Approximately 71.93% of the Equity Shares have been dematerialised upto 31st March, 2005. Trading in Equity Shares of Company is permitted only in dematerialised form compulsorily as per notification issued by the Securities and Exchange Board of India.

14. **Auditors Certificate on Corporate Governance** : Your Company has obtained a certificate from the Auditors of the Company regarding non-compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchange. This is annexed to the Annual Report. The Certificate will also be sent to The Stock Exchange alongwith the Annual Accounts to be filed by the Company.

FOR & ON BEHALF OF THE BOARD

Place : Mumbai
Date : 23.11.2005

(DR. JAYESH V. VALIA)
Executive Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of

YASHRAJ CONTAINERS LTD.

We have examined the compliance of conditions of Corporate Governance by Yashraj Containers Ltd. for the year ended on March 31, 2005, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has made no-compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that no investor grievances were pending for a period of one month against the Company as certified by the Registrars & Share Transfer Agents of the Company, based on the records maintained by them.

For J. R. Shah & Associates
Chartered Accountants

Mumbai
November 23, 2005

J. R. Shah
Proprietor
Membership No. 46598