

# 14TH ANNUAL- REPORT 2006-2007



## YASHRAJ CONTAINEURS LTD.



# YASHRAJ CONTAINEURS LTD.

14TH ANNUAL GENERAL MEETING 2006-2007

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**DR. JAYESH V. VALIA**  
Executive Chairman

**MR. SHASHIKANT K. KITTUR**  
Director

**MR. MARUTI S. PATIL**  
Director

**MR. BABULAL B. JAIN**  
Director

### 14TH ANNUAL GENERAL MEETING

**DATE**  
29th September, 2007

**DAY**  
Saturday

**TIME**  
1.30 p.m.

**PLACE**  
Conference Hall,  
Sheth M. K. High School,  
Factory Lane, Borivli (West),  
Mumbai 400 092.

### STATUTORY AUDITORS

**M/S. KAKARIA & ASSOCIATES**  
Chartered Accountants

### REGISTERED OFFICE

J1, Court Chambers, 4th Floor, S. V. Road,  
Borivli (W), Mumbai - 400 092.

### REGISTRAR & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Ltd.

### BANKERS

Bank of India

### FINANCIAL INSTITUTIONS

Industrial Development Bank of India Ltd.  
Gujarat State Financial Corporation

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## YASHRAJ CONTAINERS LTD.

### NOTICE

NOTICE is hereby given that the FOURTEENTH ANNUAL GENERAL MEETING of the Members of YASHRAJ CONTAINERS LIMITED, will be held on Saturday, September 29, 2007, at the Conference Hall, Sheth M. K. High School, Factory Lane, Borivli (West), Mumbai 400 092, at 1.30 p.m. to transact the following business.

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2007, 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 Mr. Shashikant K. Kittur, 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:

"RESOLVED that the Company shall raise funds to the extent as may be decided by the Hon'ble BIFR through Preferential Allotment Issue or through any other viable vehicle as the Company needs funds for defraying towards One Time Settlements and putting it to use as working capital and for other purposes in the conduct of normal business".

"RESOLVED FURTHER that the Directors are hereby authorised to take up the matter with the Hon'ble BIFR and follow the procedure as required under the law and to do all the acts, deeds, matters, etc. in order to achieve the issuance of Equity Shares and raise the funds to the desired level as may be determined by the Hon'ble BIFR".

**BY ORDER OF THE BOARD**

**(DR. JAYESH V. VALIA)  
EXECUTIVE CHAIRMAN**

#### REGISTERED OFFICE

401, Court Chambers  
4th Floor, S. V. Road,  
Borivli (West),  
Mumbai 400 092.

PLACE : MUMBAI

DATED : 25.8.2007

#### 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 Registers will remain closed between September 22, 2007, and September 29, 2007, (both days inclusive).
3. An Explanatory Statement under Section 173 of the Companies Act, 1956, dated 25.8.2007 and forming part of this Notice dated 25.8.2007 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.
5. A copy of the Memorandum of Association and the Articles of Association of the Company is open for inspection by the members on all working days between 2 p.m. and 4 p.m. at the Registered office.

## 14<sup>TH</sup> ANNUAL REPORT 2006-2007

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, AND FORMING PART OF THE NOTICE CONVENING, THE 14TH ANNUAL GENERAL MEETING AND DATED 25.8.2007**

**ITEM NO. 4**

Since the Company has been declared sick by the Hon'ble BIFR and the Rehabilitation Scheme has been filed with the Operating Agency appointed by the Hon'ble BIFR and also it is mandatory for the Company to approach the BIFR through the Operating Agency for any further matters relating to issuance of Equity Shares or any financial burden or other designated matters".

The Directors recommend the resolution for members' approval.

None of the Directors is concerned or interested in the resolution.

**BY ORDER OF THE BOARD**

**(DR. JAYESH V. VALIA)**  
EXECUTIVE CHAIRMAN

**REGISTERED OFFICE**

401, Court Chambers  
4th Floor, S. V. Road,  
Borivli (West),  
Mumbai 400 092. ☎

PLACE : MUMBAI  
DATED : 25.8.2007





## YASHRAJ CONTAINEURS LTD.

### DIRECTORS' REPORT

To,  
The Members,

Your Directors are pleased to present the FOURTEENTH ANNUAL REPORT and the Audited Statement of Accounts of your Company for the year ended on 31st March, 2007.

### FINANCIAL RESULTS

(Amount in Rupees)

	Year ended 31/3/2007	Year ended 31/3/2006
Turnover	511373229	343051995
Profit/(Loss) Before Depreciation, Finance Charges & Taxation	106007148	49160921
Profit/(Loss) before Depreciation & Taxation	71756275	13612674
Profit/(Loss) after Depreciation & Taxation	51318572	(6121727)
Surplus (Deficit) of Profit and Loss Account of earlier year	48872330	(265880812)
Balance carried over to Balance Sheet	67344593	48872330

### DIVIDEND

During the year under review, owing to the accumulated losses, 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 Mr. Shashikant K. Kittur, retires by rotation at the conclusion of this meeting and being eligible offers himself for re-election.

### REFERENCE TO BIFR

Your Company has been declared sick by the Honourable Board for Industrial And Financial Reconstruction, New Delhi, (BIFR) on January 20, 2006, and your Company has filed Rehabilitation Scheme as required with the concerned authorities in the prescribed time.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

In the preparation of the Annual Accounts :

- the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given.

- 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.
- 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.
- 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.

- Bombay Stock Exchange Ltd.

Your Company is listed on Bombay Stock Exchange Ltd. and the Annual Listing fee has been 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

The Statutory Auditors M/s. Kakaria & Associates, Chartered Accountants, Vapi are eligible to be re-appointed. The Directors recommend M/s. Kakaria & Associates, Chartered Accountants, Vapi, to be re-appointed as Statutory Auditors.

**14<sup>TH</sup> ANNUAL REPORT 2006-2007****EXPANSION ACTIVITY**

Your Company has set up an additional manufacturing facility at Chennai during the year under review. There is a smooth sailing. Your Company has got ambitions plans to put up additional factories at different locations to enlarge its market share.

**CORPORATE GOVERNANCE REPORT**

Pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd. 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 AND ON BEHALF OF THE BOARD**

(DR. JAYESH V. VALIA)  
EXECUTIVE CHAIRMAN

PLACE : MUMBAI  
DATED : 25.8.2007

**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, 2007.

**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	Nil

**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	2359115      175700
ii)	Foreign Exchange Earned	NIL      Nil

**FOR AND ON BEHALF OF THE BOARD**

(DR. JAYESH V. VALIA)  
EXECUTIVE CHAIRMAN

PLACE : MUMBAI  
DATED : 25.8.2007



## CORPORATE GOVERNANCE REPORT

## 1. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

YASHRAJ CONTAINEURS 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 CONTAINEURS 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
1)	Dr. Jayesh V. Valia	15	14
2)	Mr. S. K. Kittur	15	15
3)	Mr. Maruti Patil	15	—
4)	Mr. Babulal Jain	15	8 (Joined on 31.07.2006)

## 3. LIST OF DIRECTORS

1.	Dr. Jayesh V. Valia	- EXECUTIVE CHAIRMAN
2.	Mr. S. K. Kittur	- DIRECTOR
3.	Mr. M. S. Patil	- DIRECTOR
4.	Mr. Babulal Jain	- DIRECTOR

## 4. General Shareholders Information

1.	Annual General Meeting Day, Date and Time	: By Separate Communication
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5.	Financial Calendar (2006-2007)	: Annual General Meeting for the year ended 31st March, 2007.
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6.	Book Closure Date	: 22.9.2007 to 29.9.2007
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7.	Dividend Payment Date	: Not applicable since dividend not recommended.
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8.	Registered Office	: 401, Court Chambers, S. V. Road, Borivli (West), Mumbai 400 092.
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9.	Listing on Stock Exchange	: Equity Shares Bombay Stock Exchange Ltd., Dalal Street, Mumbai 400 001.
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## 10. Stock Market Information

i)	Stock Code The Bombay Stock Exchange Ltd.	: 30063
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11.	Registrars & Transfer Agents	: M/s. Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises, Safeed Pool, Andheri Kurla Road, Andheri (East) Mumbai - 400 072.
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**Share Transfer System :** Your Company's Equity Shares are admitted with the Depository System of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as an eligible security under the Depositories Act, 1996. As such, facilities for dematerialisations 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, 2007 OF EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP

No. of Equity Share held	No. of Share Holders	% of Holders	No. of Shares Held	% of Shares Held
001- 5000	3762	87.10	523385	6.71
5001-10000	229	5.30	197998	2.54
10001-100000	276	6.39	872106	11.18
100001-above	52	1.21	6206511	79.57
<b>TOTAL</b>	<b>4319</b>	<b>100.00</b>	<b>7800000</b>	<b>100.00</b>

**14<sup>TH</sup> ANNUAL REPORT 2006-2007****b. CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2007 OF EQUITY SHARES OF RS.10/- EACH FULLY PAID UP**

Particulars	No. of Shares	% of Total Share Holding
Promoters group	4087800	52.41
Financial Institutions/Banks/Insurance Companies/Mutual Funds	—	—
FII's/NRIs/OCBs/Other Foreign Shareholders (Other than Promoter Group)	475000	6.09
Bodies Corporate	625015	8.01
Public & Others	2612185	33.49
<b>TOTAL</b>	<b>7800000</b>	<b>100.00</b>

**13. Dematerialisation of Shares and Liquidity :**

Approximately 54.23% of the Equity Shares have been dematerialised upto 31st March, 2007. Trading in Equity Shares of your 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 Bombay Stock Exchange Ltd. This is annexed to the Annual Report. The Certificate will also be sent to Bombay Stock Exchange Ltd. alongwith the Annual Accounts to be filed by the Company.

**FOR AND ON BEHALF OF THE BOARD****(DR. JAYESH V.VALIA  
EXECUTIVE CHAIRMAN)**

PLACE : MUMBAI  
DATED : 25.8.2007

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**YASHRAJ CONTAINEURS LIMITED.**

We have examined compliance of conditions of Corporate Governance by Yashraj Containeurs Ltd. For the year ended on March 31, 2007, as stipulated in clause 49 of the Listing Agreement of the said company with Bombay Stock Exchange Ltd.

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 not made compliance with 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 KAKARIA & ASSOCIATES**  
Chartered Accountant

**Jaiprakash H. Shethi**  
Partner  
Membership No.: 1088

Place : Mumbai  
Date : 25.8.2007