



EXPO GAS CONTAINERS LIMITED

26th ANNUAL REPORT
2008-2009

Board of Directors

Shri. Shaukatali S. Mewawala	-	Chairman & Managing Director
Shri. Bhagwan N. Bhardwaj	-	Non-executive Director
Shri. Sayed Abbas Ali	-	Non-executive Director
Shri. Vazirali G. Lokhandwalla	-	Non-executive Director

Statutory Auditors

M/s Ketan N. Shah & Co.,
Chartered Accountants
R-36, Guru Ashish Building,
Zaveri Bazar, Mumbai-400 002

Bankers

ABN - AMRO Bank N.V.
Sakhar Bhavan, Nariman Point,
Mumbai - 400021.

Registered Office

Expo House,
150, Sheriff Devji Street,
Mumbai - 400 003
Tel No: -40339600
Fax No: - 23401635
E-Mail: - egcl@expogas.com

Works

A/10, MIDC, Murbad,
Dist.. Thane - 421401.

Registrars and Share Transfer Agents

Adroit Corporate Services Private Limited.
19, Jaferbhoy Industrial Estate
1ST Floor, Makwana Road,
Marol Naka, Andheri (East),
Mumbai - 400 059.
Tel No: - 28594442,28594428
Fax: - 28503748

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Shareholders of the Company will be held on Wednesday, the 30th September 2009 at 11.00 a.m. at the Registered Office of the Company at Expo House, 150, Sheriff Devji Street, Mumbai-400 003 to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhagwan N. Bhardwaj who retires by rotation and being eligible, offers inself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass, with or without modification(s), the following resolutions as an ordinary resolution.**

“RESOLVED THAT the Authorized Share Capital of the Company consisting of 80,00,000 (Eighty Lakhs) Equity shares of Rs. 10/- (Ten) each aggregating to Rs. 8,00,00,000/- (Eight Crores only) be reclassified into 2,00,00,000 (Two Crores) Equity shares of Rs. 4/- (Four) each aggregating to Rs. 8,00,00,000 (Eight Crores only) in accordance with the Articles of Association of the Company.”

“RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company be altered accordingly.”

By Order of the Board
For Expo Gas Containers Limited

Place : Mumbai
Dated : 29.08.2009

(S. S. Mewawala)
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Book will remain closed from Tuesday the 22nd September 2009 to Wednesday the 30th September 2009 (Both days inclusive) for the purpose of Annual General Meeting and Reduction of the Capital.
3. The Explanatory statement pursuant to sections 173 (2) of the Companies Act 1956 in respect of Item No: 4 of the Notice is annexed.
4. Members are requested
 - (i) To bring their copy of Annual Report and Attendance Slip duly filled up and signed at the meeting.
 - (ii) To quote their folio / identification number in all correspondence with the Company or its Registrar and Share Transfer Agents.
 - (iii) Members holding the shares in physical form are requested to notify immediately for change of their address to the Company or its Registrar and Share Transfer Agents

AND

In the case their shares are held in dematerialized Form, then information should be passed on directly to their respective Depository Participants and not to the Company or its Share Transfer Agents.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 3 :

The Board had passed a special resolution for Reduction of paid up capital of the Company at its Extra ordinary General Meeting held on 11.06.2009. The Company thereafter applied to Hon'ble High Court, Mumbai pursuant to Section 78 & 100 to 104 of the Companies Act, 1956. The Company got the approval from the Hon'ble High Court Mumbai for the said reduction. The said reduction was effected to right size the balance sheet of the Company. Due to past losses, the capital of the Company was not adequately represented by the available assets. Hence it was thought fit to write off the losses by reduction of the paid up capital of the Company.

To be in line with the paid up capital it is now decided to reclassify the existing Authorized capital of the Company so that the Company also gets sufficient gap to issue further shares also.

None of the Directors are concerned or interested in the above resolution.

By Order of the Board
For Expo Gas Containers Limited

Place : Mumbai

Dated : 29/08/2009

(S. S. Mewawala)
Managing Director

DIRECTORS' REPORT

To,
The Members

Your Directors present herewith Twenty Sixth Annual Report together with audited statement of accounts for the year ended 31st March 2009.

FINANCIAL RESULTS

Particulars	As on 31.03.2009	As on 31.03.2008
Profit / (Loss) before Depreciation and Interest	74,17,392	1,32,32,732
Less: - Interest	3,55,413	4,13,418
Less: - Depreciation	46,13,245	85,85,892
Net Profit / (Loss) before Extraordinary Items	24,48,734	42,33,422
Add: - Extraordinary Items (Net)	5,21,03,218	—
Net Profit / (Loss) before Tax	5,45,51,952	42,33,422
Less: - Tax		
- Current tax (Including FBT)	16,16,800	1,21,104
- Deferred Tax Liabilities / (Assets)	4,91,81,996	1,05,53,591
Net Profit after Tax	37,53,156	(64,41,273)
Prior period adjustment	—	—
Profit / (Loss) brought forward	(6,43,57,403)	(5,79,16,130)
Loss Written Back Consequent on Reduction in Capital	4,67,18,400	—
Loss Adjusted Against Share Premium Account	1,41,29,229	—
Balance Carried to Balance Sheet	2,43,382	(6,43,57,403)

CURRENT YEAR & FUTURE PERCEPTIONS

During the year under review the Company achieved turnover of Rs. 17 Crores which is double annualized turnover of last year ended March 08. Your Company is on a growth path and during the year 09-10 is thinking of consolidating its businesses and preparing on all fronts for better growth. The Company installed new plate bending machine and SAW welding machines for faster and better quality production. The Company is also recruiting more engineers and technical staff to achieve better results in the coming years.

SETTLEMENT OF DUES

After the problems with Indian Oil Corporation, the business of the Company had slowed considerably and the Company was unable to service the debts. Due to the above reason

the Company came under heavy pressure from Union Bank of India and IDBI for making the payment at the earliest. To overcome the said situation your Company had entered into one time settlement with Union Bank of India and IDBI. As the matter regarding Indian Oil Corporation was not resolved until June, 2008, the Company was unable to clear the OTS payments. Despite adverse circumstances, the Company ultimately made payment during the year under review. Rs. 2.65 Crores were paid to Indian Oil Corporation, Rs. 6 Crores to IDBI and Rs. 1.75 Crores to UBI aggregating to Rs. 10.40 Crores from Internal accruals and the Company had to borrow Rs. 6 Crores.

DIVIDEND

In view of inadequate profits your Directors do not recommend any dividend for the year ended 31st March 2009.

DEPOSITS

The Company has not accepted any deposit or unsecured loans from the public within the meaning of Section 58A of the Companies Act, 1956 read with The Companies (Acceptance of deposit) Rules, 1974.

DIRECTORS

Shri. Vazirali G. Lokhandwalla was appointed as an additional director w. e. f. 11.07.2008. Except this there are no other changes in the Directors of the Company.

AUDITORS

M/s. Ketan N. Shah, Chartered Accountants, Mumbai, Auditors of the Company retires at the ensuing Annual General Meeting of the Company and being eligible offers themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that the proposed appointment if made will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956.

As regards the appointment of Internal Auditors, the Company is in the process of appointing a suitable person. The other reservations of Auditors are self-explanatory in the notes referred to by them.

REDUCTION OF CAPITAL

During the year the Company has passed a Special Resolution at the Extra Ordinary General Meeting held on 11th June 2009 for Reduction of Paid- up Share Capital of the Company from Rs. 7,78,64,000 divided into 77,86,400 Equity Shares of Rs. 10/- each fully paid up to Rs. 3,11,45,600/- divided into 77,86,400 equity shares of Rs. 4/- each fully paid up by canceling the capital to the extent of Rs.6/- per Equity share thereby the amount of the Share Capital gets reduced to Rs. 4,67,18,400/-. The Company had applied to Hon'ble

High Court., Mumbai for its approval for the Reduction of the paid up capital of the Company as required under Section 100 of the Companies Act, 1956 after obtaining the No Objection Certificate of Mumbai Stock Exchange where the shares of the Company are listed. The Company has already received the approval from the Hon'ble High Court, Mumbai. The Company has started complying with the other formalities in this regard.

PREFERENTIAL ISSUE OF CONVERTIBLE WARRANTS

The Company had passed a special resolution under Section 81 (1A) of the Companies Act, 1956 for the preferential issue of 45,00,000 Convertible Warrants at Rs. 14.70/- inclusive of premium at its annual general meeting held on 12.09.2008. The Company could not implement the same. Thereafter the Company again came out with the Preferential Issue of 45,00,000 Convertible Warrants of Rs. 10/- each for cash aggregating to Rs. 4,50,00,000/- convertible at the option of the holder into one Equity share of Rs. 10/- each (or such adjusted numbers for any bonus, stock splits or consolidation, reduction or other reorganization of the capital structure of the company) by passing special resolution at its Extra ordinary General Meeting held on 2nd March 2009. The necessary in-principle approval was obtained from the Mumbai Stock Exchange and the Company has allotted 45,00,000 Convertible Warrants of Rs. 10/- each for cash at par at its Board Meeting held on 31.03.2009.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, with respect to conservation of energy, technology absorption and foreign exchange earnings/ outgo is given hereto and forms a part of this report

FORM - A

Form for disclosure of particulars with respect to Conservation of Energy.

Power and Fuel Consumption	Current year 31.03.2009	Previous Period 31.03.2008
1) Electricity		
Purchase Unit (KWH)	2.42	2.86
Total Amount (Rupees in lacs)	15.05	24.88
Rate per Unit (Rupees)	6.23	8.70
2) Coal	N.A	N.A
3) Furnace Oil	N.A.	N.A.
4) Internal Generation	N.A.	N.A.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Energy conservation is not only a national priority but also a key value driver for your Company. Employees are also encouraged to give suggestion that will result in energy saving.

As prescribed under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is not applicable, as there is no technology absorption, adaptation and innovation made by your Company. However, it has been the endeavor of the Company to continuously upgrade & standardize its products.

FOREIGN EXCHANGE EARNING AND OUTGO

	<i>Rs. in Lacs</i>
i) CIF Value of Imports	NIL
ii) Expenditure in foreign currency	0.93
iii) Foreign Exchange earned	NIL

PARTICULARS OF EMPLOYEES

No employee was in employment of the Company throughout the Financial Year or part of the Financial Year on a remuneration, which in aggregate, exceeded the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled "**Report on Corporate Governance**" for the year ended 31.03.2009 has been annexed in this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT 1956

The Directors state that: -

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation by way of notes to accounts relating to material departures;

- b) The selected accounting policies were applied consistently and the judgments and estimates made by them are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March 2009 and of the profit for the year ended on that date;
- c) The 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;
- d) The annual accounts have been prepared on a going concern basis.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Industrial Relations continued to be harmonious throughout the year under review.

ACKNOWLEDGEMENT

Your Directors express their gratitude for the continued support of the financial institutions, Bankers, Government Authorities and Shareholders. Your Directors also place on record their deep sense of appreciation for the commitment exhibited by the Company's employees.

For and on behalf of the Board
For Expo Gas Containers Limited

Place: - Mumbai
Dated: - 29.08.2009

(S. S. Mewawala)
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company always preferred transparency in all its operations and has always adopted new laws and has complied with them. It has tried providing disclosures which may not be obligatory but it's a voluntary effort by the management.

Composition and Category of Directors

The Board is headed by Mr. S. S. Mewawala, Chairman and Managing Director and is composed of eminent person with considerable professional experience in their respective fields. The present strength of the Board is four of which One Director is executive Director and others are non-executive & Independent Directors. The composition and strength of the Board meets with the requirements of the Clause 49 of the Listing Agreement. None of the non-executive Directors has any pecuniary relationship or transactions with the Company.

During the year under review 01.04.2008 to 31.03.2009, 10 (Ten) Board Meetings were held as under to deliberate on various matters.

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	30.04.2008	6.	31.10.2008
2.	07.05.2008	7.	05.01.2009
3.	11.07.2008	8.	31.01.2009
4.	31.07.2008	9.	27.03.2009
5.	13.08.2008	10.	31.03.2009

The Composition of the Board of Directors and their attendance at the Board Meeting during the year and at the last annual general meeting as also the number of Directorship in Indian Public Limited Companies are as follows: -

Name of Director	No. of Board Meeting attended	Attendance at Last Annual General Meeting	Category of Director	Other Directorships in Public Co.	No. of Chairmanship / Membership of Board Committee in other Company	
					Chairman	Member
Mr. S. S. Mewawala	10	Yes	CMD / P	No	N.A.	N.A.
Mr. Bhagwan N. Bhardwaj	8	No	NED / I	No	N.A.	N.A.
Mr. Sayed Abbas Ali	10	Yes	NED/I	No	N.A.	N.A.
Mr. Vazirali G. Lokhandwalla**	5	No	NED/I	No	N.A.	N.A.

Note: -

1. CMD / P– Chairman and Managing Director and Promoter.
2. NED / I – Non-executive and Independent Director.

** Mr. Vazirali G. Lokhandwalla was appointed as an additional Director in Board of Directors Meeting held on 11.07.2008.

Committees of the Board

The Board of Directors has constituted three Committees of the Directors with adequate delegation of powers to discharge urgent business of the Company. These Committees are Audit Committee, Shareholders'/ Investors' Grievance Committee and Remuneration Committee. The Committee meets as often as required. The details of the Audit Committee, Investor's Grievance Committee and Remuneration Committee are as follows: -

1. Audit Committee

i.) Terms of Reference

The terms of reference of the Audit Committee, covers the areas specified in Clause 49 of the listing agreement of the Stock Exchange and the applicable provisions of the Companies Act, 1956 as amended till date.

The Audit Committee reviews all the matters which were specified in the last report of the Corporate Governance inclusive of all mandatory items. The thrive at the Company is to have more the transparency in the unaudited as well as the audited results. The committee's scope is increased looking into the objective of the Company. The Committee's strength & say is increased all the time.

ii.) Composition

The Audit Committee comprises at present of three Directors viz. Shri. Bhagwan N. Bhardwaj, Mr. Sayed Abbas Ali and Shri. Vazirali G. Lokhandwalla. During the year from 01.04.2008 to 31.03.2009 the Committee met four times as under to deliberate on various matters as per terms of reference and attendance of the Members at the Meeting was as under: -

Sr. No.	Date of Board Meeting
1.	30.04.2008
2.	31.07.2008
3.	31.10.2008
4.	31.01.2009

Name of the Member	Status	No. of Meetings attended
Mr. Bhagwan N. Bhardwaj	Chairman	4
Mr. Sayed Abbas Ali	Member	4
Mr. Vazirali G. Lokhandwalla	Member	3

2. Remuneration Committee

Though, the constitution of the Remuneration Committee is not mandatory since it is a part of the non-mandatory requirement of the Corporate Governance Code, the Company has re-constituted the Remuneration Committee comprising of Shri. B. N. Bhardwaj (Chairman), Shri. Sayed Abbas Ali and Shri. Vazirali G. Lokandwalla, (Members).

The Committee shall decide on Company's policy on specific remuneration packages for Executive Directors. The members in the General Meeting shall decide the remuneration of non-executive, if any.

i.) Remuneration Policy

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, and retain talent in the organization and reward merits. The Company keeps on reviewing its policy in this regard.

ii.) Remuneration of Directors

Details of Remuneration paid to the Directors for the year ended 31.03.2009

(Amount in Rs.)

Name of Director	Category	Sitting fees for Board & Committee meetings	Salaries & Perquisites
Shri. S. S. Mewawala	Executive	—	1,80,000
Shri. B.N. Bhardwaj	Non-Executive & Independent	—	—
Shri. Sayed Abbas Ali	Non- Executive & Independent	—	—
Shri Vazirali G. Lokhandwalla	Non- Executive & Independent	—	—

3. Share Transfer & Investors Grievance Committee.

i.) Terms of Reference

The Committee oversees the performance of Adroit Corporate Services Private Limited, the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee keeps a close watch on all complaints / grievances of the Shareholders.

Sr. No.	Nature of Complaints received during the year 01.04.2008 to 31.03.2009	No. of Complaints	
		Received	Resolved
1	Non-receipt of Share Certificate duly transferred / transmitted	NIL	NIL
2	Non-receipt of dividend warrants	NIL	NIL
3	Non-receipt of Demat Confirmation	NIL	NIL
4	Non-receipt of Annual Report	1	1
5	Non-receipt of Duplicate Share Certificate	NIL	NIL
6	Grievance Received through SEBI / Stock Exchanges	2	2

There is no Investor's Grievance pending as on 31st March 2009.

ii.) Composition

The Committee now reframed comprises of Managing Director & two Independent Directors viz. Shri. Bhagwan Bhardwaj (Chairman), Shri. Shaukatali S. Mewawala and Shri. Sayed Abbas Ali. The minutes of the Shareholders/ Investors Grievance Committee meetings are circulated to the Board, and are discussed and taken note of by the Board.

iii.) The Details of the Shareholders/Investors Grievance Committee meeting held during the year 01.04.2008 to 31.03.2009

Date of the Meeting	Committee strength	No of committee members attended
15.04.2008	3	3
30.04.2008	3	3
15.05.2008	3	3
31.05.2008	3	3
15.06.2008	3	3
30.06.2008	3	3
15.07.2008	3	3
31.07.2008	3	3
14.08.2008	3	3
30.08.2008	3	3
15.09.2008	3	3
30.09.2008	3	3
15.10.2008	3	3
15.01.2009	3	2

General Body Meetings: -

The details of the General Meeting that had been held during the last three financial years are as follows: -

Year	AGM/EGM	Date	Time	Venue
2004-05	AGM	31.03.2006	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.
2005-06	AGM	30.03.2007	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.
2006-08	AGM	12.09.2008	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.
2009	EGM	02.03.2009	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.

There was no occasion to pass special resolution through postal ballot on any of the matters specified under Clause 49 of the Listing Agreement. Further, no such proposal is proposed to be placed for the Shareholder's approval at the forthcoming Annual General Meeting.

Special Resolutions passed during the last three Annual General Meeting of the Company.

No Special Resolution was passed at the 23rd to 24th Annual General Meeting of the Company. At the 25th Annual General Meeting one Special Resolution was passed for the Preferential issue of the 45,00,000 Convertible warrants.

Disclosures:-

There was no non-compliance during the last three years by the Company on any matter related to Capital market. Consequently, there were no penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any statutory authority.

Means of communication

Quarterly Results of the Company are forwarded to Stock Exchanges where the Company's Shares are listed. The results are not individually sent to the Shareholders.

This Annual Report has a detailed chapter on Management Discussion & Analysis.

General Shareholder Information: -

Annual General Meeting

Year ended	Date	Time	Venue
2008-09	30.09.2009	11.00	Expo House, 150, Sheriff Devji Street, Mumbai-400 003.

Tentative Financial Calendar: -

Particulars	Date
Un-audited financial Results for the quarter ending 30.06.2009	On or before 31.07.2009
Un-audited financial Results for the quarter ending 30.09.2009	On or before 31.10.2009
Un-audited financial Results for the quarter ending 31.12.2009	On or before 31.01.2010
Un-audited financial Results for the quarter ending 31.03.2010	On or before 30.04.2010

Dates of Book Closure:

Tuesday, 22nd September 2009 to Wednesday, 30th September 2009 (both days inclusive) for the purpose of Annual General Meeting and reduction of capital.

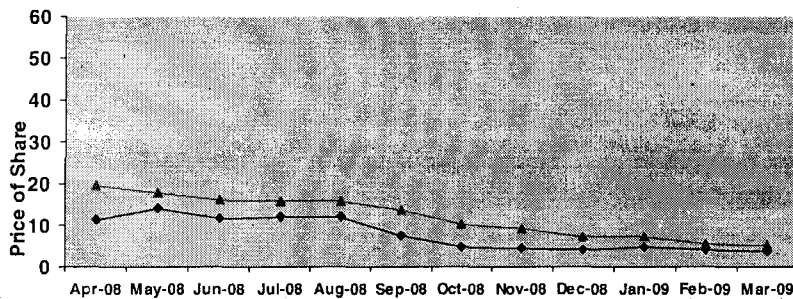
Listing Details:

The Company is listed only with **Bombay Stock Exchange** having stock code number as 526614. The Company has paid the Annual Listing Fees to Bombay Stock Exchange for the year 2009-10.

Market price Data: High/Low during each month for the year ended 31st March 09

Month	Mumbai Stock Exchange		
	Month's High (Rs.)	Month's Low (Rs.)	No of Shares traded
April 2008	19.76	11.25	328350
May 2008	17.90	14.25	246521
June 2008	16.19	11.28	404995
July 2008	16.00	11.90	324488
August 2008	15.70	12.00	190024
September 2008	13.73	7.45	270078
October 2008	10.45	4.85	149811
November 2008	9.20	4.50	91869
December 2008	7.38	4.17	122569
January 2009	7.31	5.00	64956
February 2009	5.39	4.20	50399
March 2009	5.18	3.84	85556

High/Low Price chart



Month Low & Month High

Registrar and Share Transfer Agents: -

Adroit Corporate Services Pvt. Ltd.

Contact Person: - Shri. S. Shetty

19, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (E)

Mumbai - 400 059

Tel No: 28594442, 28594428

Fax No: 28503748

Share Transfer System:

The Share transfer which are received in physical form are processed and the share certificate are returned within a period of 15-20 days from the date of receipt, subject to the documents being valid and complete in all aspects as the company is doing.

Shares held in the dematerialized form are electronically traded in the Depository. Physical Shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to the Depository Participants under advice to the Shareholders.

Shareholding Pattern as on 31-03-2009

Sr. No.	Name	No. of shares	% of paid up capital
1	Promoters, Relatives and Person acting in concert	1667935	21.42
2	Foreign Institutional Investors	0	0.00
3	Financial Institutions & Banks	0	0.00
4	NRI	517705	6.65
5	Mutual Funds and UTI	400	0.00
6	Private Corporate Bodies	699126	8.98
7	Public and others	4901234	62.95
	TOTAL	7786400	100.00

Distribution of Shareholding as on 31-03-2009

Shareholding of Nominal Value (Rs.)	No. of Shareholders		No. of Shares	
	Total	% of shareholders	Total	% of share capital
Upto 500	7716	82.66	1392974	17.89
501 to 1000	813	8.71	715198	9.19
1001 to 2000	383	4.10	611708	7.86
2001 to 3000	137	1.47	357458	4.59
3001 to 4000	56	0.60	204503	2.63
4001 to 5000	67	0.72	322092	4.14
5001 to 10000	81	0.87	635794	8.17
10001 to 999999	82	0.88	3546673	45.55
Grand Total	9335	100.00	7786400	100.00

Dematerialization of Shares

As on 31.03.2009, out of 7786400 shares of the Company, 50,93,565 shares, which constitute 65.42 % of share capital of the Company stands dematerialized.

Description	ISIN NO	Depositories
Fully paid	INE561D01017	1. National Securities Depository Ltd. (NSDL) 2. Central Depository Services (India) Ltd. (CDSL)

Plant Location: -

Expo Gas Containers Limited

A/10, MIDC, Murbad,
Dist. Thane 421 401

Address for Correspondence: -

Expo Gas Containers Limited

Expo House, 150 Sheriff Devji Street,
Mumbai – 400 003

Tel: - 40339600

Fax : 23401635

For Investor Correspondence: -

Registrar and Share Transfer Agents: -

Adroit Corporate Services Pvt. Ltd.
19,Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Andheri (E), Mumbai - 400 059.

Tel No:- 28594442, 28594428

Fax No:- 28503748

Auditor's Certificate on Compliance with the Corporate Governance under clause 49 of the listing Agreement

To the Members of
Expo Gas Containers Limited

We have examined the compliance of conditions of Corporate Governance by Expo Gas Containers Limited ("the Company") for the year ended on 31st March 2009 as stipulated in clause 49 of the listing agreement of the company with the stock exchanges.

The compliance of conditions of the corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company, for ensuring the compliance of the conditions of the corporate governance. 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 the information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the abovementioned listing agreement.

We state that in respect of investor grievances received during the year ended 31st March 2009, no investor grievances are pending for a period of exceeding one month except where disputed or subjudice as per the records maintained by the Company and presented to the shareholders/ investor Grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the company for the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Ketan N. Shah & Co.**,
Chartered Accountants

Place: Mumbai
Dated: 29.08.2009

(K. N. SHAH)
Proprietor

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure and Developments

The strong growth of Indian economy as well as world economy was abruptly reversed on account of sub prime issues in US. The downward slide in the economy world wide was sudden and steep and from October 2008 onwards every one was affected. All the governments have taken strong steps to boost the economy by injecting large funds. Until the election was over and new government was in place the economy was sluggish. Although we in India were shielded but still the growth rate came down. After the elections the scenario within the country has changed and improved a lot. With new projects being announced regularly engineering industry to be specific is expected to do well. A new grass root refinery in Paradip and capacity additions as well as modernization in the refineries and petrochemical, fertilizer and power sector in the country there are availability of projects worth more than 100,000 Crores.

Outlook

The future scenario offers both challenges and opportunities. Engineering industry continues to be in demand. Scope of business is still good for the next 5 years. India has also emerged as exporter of process plant equipments and with new projects announced in Gulf there are good prospects internationally also.

Threat

With globalization the Company cannot remain isolated and international developments affects your Company also. If the western economies do not start recovering as expected the growth of the Company will also be difficult. Although as on today the prices of raw material are stable but there are chances of prices going up if demand shoots up all of sudden.

Material Developments in Human Resources/ Industrial Relations:

Good manpower is always an issue for almost all the Companies including your Company. It is difficult to get right people. The Company continues its efforts to be constantly on look out for good manpower and continue recruiting. The Company also recruits trainee engineers.

Industrial relations were cordial in all division throughout the year under review.

Quality System:

The Company is ISO 9001 certified by Bureau Veritas and approved holder of "U" stamp from ASME U.S.A.

Internal Control System

The Company as well laid out policies on financial reporting, asset management, adherence to Management policies and also on promoting Compliance of ethical and well defined standards. The Company also follows an exhaustive budgetary control and standard costing system. Moreover, the Management team regularly meets to monitor expectations and budgeted results and scrutinizes reasons for deviations in order to take necessary corrective steps. The Audit Committee, which meets at regular interval, also reviews the internal control systems with the Management and the Internal Auditors. There are clear demarcation of roles and responsibilities at various levels of operations. The Company's internal control system is further strengthened by continuous periodical internal audit system and Review at the Board level. The internal audit is conducted at regular intervals at various locations of the Company and covers all the key areas. All audit observations and follow up actions are discussed with the Management as also the Statutory Auditors and the Audit Committee reviews them regularly.

Safety, Health and Environment

Safety, Health and Environment is a core value for your Company. Simply stated your Company's goals are: no accidents, no harm to people and no damage to environment. The Company's success owes to the health, safety and security of everyone who works for them. The health and medical services are accessible to all employees through well equipped occupational health centers at all manufacturing facilities. Safety and security of personnel, assets and environmental protection are also on top of the agenda of the Company at its manufacturing facilities.

Clean environment and sustainable development integrated with the business objective is the focus of operations of the Company. The projects and activities are planned and designed with environment protection as an integral part to ensure a safe and clean environment for sustainable development.

The company proposes to go for OSHAS certification in future.

Cautionary Statement:

The above effects the Company's objectives, projections, estimates, expectations and predictions which may be "forward looking statements" within the meaning of the applicable securities laws and regulations. The annual results can differ materially from those expressed or implied, depending on the economic conditions, Government Policies and other incidental factors and developments.

AUDITORS' REPORT

To
The Members,
Expo Gas Containers Limited

1. We have audited the attached Balance Sheet of **EXPO GAS CONTAINERS LIMITED**, as at 31st March, 2009 and the related Profit and Loss Account for the year ended on that date annexed thereto which we have signed under reference to this report. 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 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 misstatements. An audit includes examining, on a test check basis, evidences 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 (Auditors' Report) Order, 2003 issued by Central Government of India in terms of Section (4A) of Section 227 Companies Act, 1956, on the basis of such checks of the books and records of company as we considered appropriate and according to the information and explanations given to us, we give 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 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 purposes of our audit.
 - b) 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 books.
 - c) In our opinion, the Balance Sheet and Profit and Loss account dealt with by the report are in agreement with the books of accounts.
 - d) On the basis of written representation received from the Directors, as on 31st March, 2009 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of Clause (g) of sub section (i) of Section 274 of the Act.

- e) In our opinion, subject to accounting treatment in respect of transactions discussed in the notes to the accounts (Schedule V) viz: Note No:- 14 regarding non-provision of leave encashment and gratuity liability the amount of which is unascertainable, the Balance Sheet and Profit and Loss Account dealt with by this Report are in compliance with the accounting standards referred to in section 211(3C) of the Companies Act, 1956 in so far as they apply to the Company.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto, given in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India.
1. In the case of the Balance sheet of the state of affairs of the company as at 31st March, 2009.
 2. In the case of the Profit and Loss Account, of the profit for the year ended on that date.

For **Ketan N. Shah & CO.,**
Chartered Accountants

Place : Mumbai
Dated : 29/08/2009

(K. N. SHAH)
Proprietor

ANNEXURE TO AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF EXPO GAS CONTAINERS LIMITED ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009)

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion frequency of verification is reasonable.
(c) In our opinion, a substantial part of fixed assets has not been disposed off by the company during the year.
- 2 (a) Inventory has been physically verified by the management during the year. In our opinion frequency of verification is reasonable.
(b) In our opinion, the procedure of physical verification of inventory 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 inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3 The Company has taken unsecured loans from Companies, firms and other parties covered in the Register maintained under section 301 of the Act. The rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company.
- 4 In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- 5 a) In our opinion and according to the information and explanations given to us, transactions that need to be entered into the register in pursuance of section 301 of Act have been entered in the said Register.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Act have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 The Company has not accepted any deposits from the public within the meaning of section 58AA of the Act and the rules framed thereunder.
- 7 In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- 8 The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (i) of Section 209 of the Act for any of the products of the Company.
- 9 (a) According to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax and other material statutory dues as applicable with the appropriate authorities in India.
(b) According to the records of the Company examined by us, there are no dues of sales tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at 31st March, 2009 and has not incurred cash losses in the financial year under report or in the immediately preceding financial year.
11. The Company during the year under One Time Settlement (OTS) scheme repaid the dues of the financial institutions, and banks. As at the Balance Sheet date, the Company does not have any dues to financial institutions and banks or to any debenture holders.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
13. The provision of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. In our opinion, the Company is not dealer or trader in shares, securities, debentures and other investments.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. The Company has not obtained any term loans during the year.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short-term basis which have been used for long-term investment, and vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Ketan N. Shah & CO.**,
Chartered Accountants

Place : Mumbai
Dated : 29/08/2009

(K. N. SHAH)
Proprietor

**Expo Gas Containers Ltd.
BALANCE SHEET AS AT 31st MARCH, 2009**

(Amount in Rupees)

	Schedule	As at 31st Mar. 2009	As at 31st Mar. 2008
1 SOURCES OF FUNDS:			
SHAREHOLDERS' FUNDS			
(a) Share Capital	A	31,145,600	77,864,000
(b) Reserves & Surplus	B	14,776,987	28,662,834
(c) Warrant Application Money		11,250,000	-
		<u>57,172,587</u>	<u>106,526,834</u>
LOAN FUNDS			
(a) Secured	C	50,000,000	182,457,901
(b) Unsecured	D	52,453,371	37,951,620
		<u>102,453,371</u>	<u>220,409,521</u>
TOTAL FUNDS EMPLOYED		<u>159,625,958</u>	<u>326,936,355</u>
II APPLICATION OF FUNDS			
1 FIXED ASSETS			
(a) Gross Block	E	162,308,987	189,600,801
(b) Less: Depreciation		84,664,604	98,838,996
(c) Net Block		<u>77,644,383</u>	<u>90,761,805</u>
2 CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories	F	38,210,248	24,366,957
(b) Sundry Debtors	G	83,282,862	58,547,029
(c) Cash and Bank Balances	H	2,117,415	6,506,102
(d) Loans and Advances	I	11,993,573	10,194,651
		<u>135,604,098</u>	<u>99,614,739</u>
3 CURRENT LIABILITIES AND PROVISIONS			
a) Sundry Creditors	J	87,113,804	13,237,121
b) Provisions	K	7,082,760	4,316,508
		<u>94,196,564</u>	<u>17,553,629</u>
NET CURRENT ASSETS		<u>41,407,534</u>	<u>82,061,110</u>
DEFERRED TAX ASSET	L	40,574,041	89,756,037
4 PROFIT AND LOSS ACCOUNT	M		64,357,403
TOTAL ASSETS (NET)		<u>159,625,958</u>	<u>326,936,355</u>
Notes Forming Part of the Accounts	V		

As per our report attached

KETAN N. SHAH & CO.
(Chartered Accountants)

(K. N. SHAH)
(Proprietor)

Place : Mumbai
Date : 29/08/2009

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)

Place : Mumbai
Date : 29/08/2009

SAYED ABBAS ALI
(Director)

Place : Mumbai
Date : 29/08/2009

PROFIT & LOSS A/C FOR THE YEAR ENDED 31st MARCH 2009

(Amount in Rupees)

	Schedule	As at 31st Mar. 2009	As at 31st Mar. 2008
1. INCOME :			
(a) Sales	N	171,933,614	116,679,198
(b) Other Income	O	407,991	828,913
		<u>172,341,605</u>	<u>117,508,111</u>
Increase/(Decrease) in Stocks	P	-	(19,870)
		<u>172,341,605</u>	<u>117,488,241</u>
2. EXPENDITURE :			
(a) Raw Material Consumed	Q	68,218,584	18,723,140
(b) Manufacturing Expenses	R	53,737,530	51,078,753
(c) Employees Costs	S	17,038,424	21,210,432
(d) Other Expenses	T	25,929,675	13,243,185
		<u>164,924,213</u>	<u>104,255,510</u>
3. PROFIT/LOSS BEFORE DEPRICIATION & FINANCIAL EXP		<u>7,417,392</u>	<u>13,232,732</u>
Financial Expenses	U	355,414	413,418
4. PROFIT/LOSS BEFORE DEPRICIATION		<u>7,061,979</u>	<u>12,819,313</u>
Depreciation		4,613,245	8,585,892
5. PROFIT/LOSS BEFORE EXTRA ORDINARY ITEMS		<u>2,448,734</u>	<u>4,233,422</u>
6. EXTRAORDINARY ITEMS (NET)		<u>52,103,218</u>	<u>-</u>
7. PROFIT/LOSS BEFORE TAX		<u>54,551,952</u>	<u>4,233,422</u>
8. PROVISION FOR TAXATION			
Current Tax		1,525,000	-
Fringe benefit tax		91,800	121,104
Deferred Tax		49,181,996	10,553,591
9. PROFIT/LOSS AFTER TAX		<u>3,753,156</u>	<u>(6,441,273)</u>
10. LOSS B/F FROM PREVIOUS YEAR		<u>(64,357,403)</u>	<u>(57,916,130)</u>
Less:-			
LOSS WRITEN BACK CONSEQUENT ON REDUCTION IN CAPITAL		46,718,400	-
LOSS ADJUSTED AGAINST SHARE PREMIUM ACCOUNT		14,129,229	-
11. PROFIT/LOSS AVAILABLE FOR APPROPRIATION		<u>243,382</u>	<u>(64,357,403)</u>
BALANCE CARRIED FORWARD		<u>243,382</u>	<u>(64,357,403)</u>

Notes forming Part of the Accounts

V

As per our report attached

KETAN N. SHAH & CO.
(Chartered Accountants)

(K. N. SHAH)
(Proprietor)

Place : Mumbai
Date : 29/08/2009

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)

Place : Mumbai
Date : 29/08/2009

SAYED ABBAS ALI
(Director)

Place : Mumbai
Date : 29/08/2009

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rupees)

	As at 31st Mar. 2009	As at 31st Mar. 2008
Schedule "A":		
SHARE CAPITAL		
Authorised 80,00,000 Equity Shares of Rs. 10/- each	<u>80,000,000</u>	<u>80,000,000</u>
Issued, Subscribed & Paid up 77,86,400 Equity Shares of Rs. 4/- each	<u>31,145,600</u>	<u>77,864,000</u>
	<u>31,145,600</u>	<u>77,864,000</u>
<p>(The Capital has been reduced from Rs. 77,864,000 comprising of 7,786,400 Equity Shares of Rs. 10/- each to Rs. 31,145,600 comprising of 7,786,400 Equity Shares of Rs. 4/- each vide mumbai highcourt order dated 31-07-2009)</p>		
Schedule "B":		
RESERVES AND SURPLUS		
Capital Reserve	<u>4,236,400</u>	<u>4,236,400</u>
Share Premium	<u>24,426,434</u>	<u>24,426,434</u>
Less :- Write off	<u>14,129,229</u>	<u>-</u>
	<u>10,297,205</u>	<u>24,426,434</u>
Profit & Loss Account	<u>243,382</u>	<u>-</u>
	<u>14,776,987</u>	<u>28,662,834</u>
Schedule "C":		
SECURED LOANS		
Cash Credit	-	25,793,449
UBI WCTLL LOAN I	-	20,639,158
UBI WCTLL LOAN II	-	29,000,000
FROM FINANCIAL INSTITUTION		
Caparo Financial Solutions Limited	<u>50,000,000</u>	
I.D.B.I. Term Loan	-	24,050,000
I.D.B.I. Corporate Loan 1	-	32,508,615
I.D.B.I. Corporate Loan 2	-	50,000,000
I.D.B.I. Int. Funded Loan	-	7,411,679
IDBI (STL)	-	(6,945,000)
	<u>50,000,000</u>	<u>182,457,901</u>
Schedule "D":		
UNSECURED LOANS		
From Others	<u>52,453,371</u>	<u>37,951,620</u>
	<u>52,453,371</u>	<u>37,951,620</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET

**Schedule "E":
FIXED ASSETS**

Sr. Particulars No.	(GROSS BLOCK)					(DEPRECIATION)				(NET BLOCK)	
	As on 01.04.2008	Addi tion	Sale	Adjust ment	31.03.2009	Uptil 31.03.2008	For the Year	Adjus tment	Uptil 31.03.2009	As on 31.03.2009	As on 31.03.2008
1 LAND	1,763,100	-	-	-	1,763,100	-	-	-	-	1,763,100	1,763,100
2 FACTORY SHED	83,651,032	-	-	-	83,651,032	35,305,053	2,495,157	-	37,800,210	45,850,822	48,345,979
3 FURNITURE & FIXTURES	1,490,321	20,439	-	-	1,510,760	1,196,121	1,333	-	1,197,455	313,305	294,199
4 VEHICLES	1,257,663	-	-	(721,917)	535,746	988,953	(912,609)	-	76,344	459,403	268,711
5 SPARETOOLS&DIES	5,708,398	-	-	-	5,708,398	5,708,398	(1,632,905)	-	4,075,492	1,632,905	-
6 PLANT & MACHINERY	88,548,799	-	26,594,274	-	61,954,526	49,822,704	5,008,699	(18,787,636)	36,043,767	25,910,759	38,726,095
7 ELECTRICAL INSTALLATION	3,388,878	-	-	-	3,388,878	2,942,471	(212,743)	-	2,729,728	659,150	446,407
8 OFFICE EQUIPMENT	1,515,830	3,938	-	-	1,519,768	809,112	37,957	-	847,070	672,699	706,718
9 COMPUTERS	2,276,780	-	-	-	2,276,780	2,066,184	(171,644)	-	1,894,539	382,240	210,596
TOTAL	189,600,801	24,377	26,594,274	(721,917)	162,308,987	98,838,996	4,613,245	(18,787,636)	84,664,604	77,644,383	90,761,805
Previous Period	190,025,692	1,71,909	5,96,800	-	18,96,00,801	90,849,904	8,585,892	(596,800)	98,838,996	90,761,805	99,175,786

**As at
31st Mar. 2009** **As at
31st Mar. 2008**

Schedule "F":

INVENTORIES

(As Certified by Management)

Stores And Spares	2,541,906	2,038,035
Raw Materials	4,777,964	3,317,834
Work in process	30,890,378	19,011,088
	38,210,248	24,366,957

Schedule "G"

SUNDRY DEBTORS

Debts Over six months	17205673	26,931,689
Other Debtors	66077189	31,615,340
	83,282,862	58,547,029

Schedule "H":

CASH AND BANK

BALANCES

Cash in hand	226,653	195,661
With Scheduled Banks on Current Account	(1,420,672)	(3,350,917)
Fixed Deposit with Banks	3,311,434	9,661,358
	2,117,415	6,506,102

Schedule "I": LOANS AND ADVANCES

Advances recoverable in Cash or kind or for value to be received	3,211,281	1,309,979
Others	8,782,292	8,884,673
	11,993,573	10,194,651

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rupees)

	As at 31st Mar. 2009	As at 31st Mar. 2008
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>CURRENT LIABILITIES</u>		
<u>Schedule "J":</u>		
<u>SUNDRY CREDITORS</u>		
For Goods	86,582,472	12,700,789
For Expenses	531,332	536,332
	87,113,804	13,237,121
 <u>Schedule "K":</u>		
<u>PROVISIONS</u>		
Provisions	7,082,760	4,316,508
	7,082,760	4,316,508
 <u>Schedule "L":</u>		
<u>DEFERRED TAX ASSETS</u>		
Opening of Deferred Tax	89,756,037	100,309,628
Less: Transferred from Profit & Loss accounts	49,181,996	10,553,591
	40,574,041	89,756,037
 <u>Schedule "M":</u>		
<u>PROFIT AND LOSS ACCOUNT</u>		
Profit & Loss Account	-	(57,916,130)
Add :- P&L for the Year	-	(6,441,273)
		(64,357,403)
 <u>Schedule "N":</u>		
<u>SALES</u>		
Contracts	42,822,435	46,689,033
Cylinders	-	784,004
Pressure Vessels	128,537,620	68,763,510
Scrap	573,559	346,496
Sale of DEPB Licence	-	96,155
	171,933,614	116,679,198

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rupees)

	<u>As at</u> <u>31st Mar. 2009</u>	<u>As at</u> <u>31st Mar. 2008</u>
Schedule "O":		
<u>OTHER INCOME</u>		
Misc. income		113,059
Interest from other than Bank	29,820	59,640
Interest from Bank	373,171	479,841
Profit on sale of Assets	-	90,000
Interest from Income-tax	5,000	86,373
	407,991	828,913
 Schedule "P":		
<u>INCREASE/DECREASE IN STOCK</u>		
Opening Stocks		
Scrap	-	19,870
	-	19,870
Less : Closing Stocks	-	-
	-	-
Increase/Decrease in Stock	-	(19,870)
 Schedule "Q":		
<u>RAW MATERIAL CONSUMED</u>		
Opening Stock		
Raw Material	3,317,834	3,057,695
Work In Progress	19,011,088	4,873,087
	A 22,328,922	7,930,782
Add : Purchases	B 81,558,003	33,121,281
Less : Closing Stock		
Raw Material	4,777,964	3,317,834
Work In Progress	30,890,378	19,011,088
	C 35,668,342	22,328,922
A+B-C	68,218,584	18,723,140

SCHEDULES FORMING PART OF BALANCE SHEET

(Amount in Rupees)

	As at 31st Mar. 2009	As at 31st Mar. 2008
Schedule "R":		
<u>MANUFACTURING EXPENSES</u>		
Bad debts	-	5,031,269
Carriage Inward	1,972,954	1,046,354
Carriage Outward	3,754,261	2,061,136
Testing Fees	536,262	236,185
Inspection Fees	540,892	598,612
Labour Job Expenses	19,140,306	30,416,857
Components, Consumables, Stores & Spares	13,334,539	3,782,692
Central Excise Duties	1,633,903	2,885,596
Electricity Power & Fuel	1,505,081	2,511,421
Duties & Taxes	11,219,796	2,508,631
Clearing & Forwarding	23,655	-
Demurrage Charges	75,882	-
	<u>53,737,530</u>	<u>51,078,753</u>
Schedule "S":		
<u>EMPLOYEE COST</u>		
Payment to Employee	16,024,686	19,662,308
Employers Contribution to P.F. etc	646,559	1,085,509
Welfare Expenses	367,179	462,616
	<u>17,038,424</u>	<u>21,210,432</u>
Schedule "T":		
<u>OTHER EXPENSES</u>		
Professional Fees	2,165,556	2,965,698
Fees, Books & Periodicals	215,119	510,000
Postage, Telephone, Telex	579,696	653,188

Expo Gas Containers Limited

Printing & Stationery	796,231	466,822
Rent,Rate & Taxes	13,754,572	3,121,146
Repairs & Maintenance	320,482	436,990
Membership & Subscription	40,015	87,845
Advertisements & Publicity	33,500	112,727
Audit Fees	95,702	92,730
Others	3,998,295	3,235,575
Loss on Sale of Assets	2,720,354	-
Travelling & Conveyence	820,679	973,282
Vehicle Expenses	389,475	449,385
Interest on Others	-	137,797
	<u>25,929,675</u>	<u>13,243,185</u>

Schedule "U":

FINANCIAL EXPENSES

Bank Charges & Commission	355,414	412,743
Interest Paid To Bank	-	675
	<u>355,414</u>	<u>413,418</u>

Schedule "V"

NOTES TO ACCOUNTS: -

1) SIGNIFICANT ACCOUNTING POLICIES

I. Basis of Accounting: -

The accounts are prepared in accordance with the Historical Cost Convention and on the basis of a going concern with revenue recognized and expenses accounted on accrual basis.

II. Sales: -

- a). Sales of manufacturing items are accounted inclusive of excise duties and sales tax.
- b). Sales include billing of Project work on the basis of stipulations specified in each contract. Thus the company does not follow AS-7 as laid down by Institute of Chartered Accountant of India.

III. Retirement Benefits:-

- a) Retirement benefit in the form of provident fund are accounted on accrual basis.
- b) The Company has accounted gratuity & leave encashment liability on cash basis.

IV. Depreciation:-

- a) Depreciation on Fixed assets has been provided on Straight Line Method (SLM) at the rates specified in the Schedule XIV of the Companies Act, 1956.
- b) In respect of assets acquired/sold/discarded during the year, Depreciation has been provided on a pro-rata basis with reference to the year, each asset was put to use during the year.

V. Fixed Assets:-

All Fixed assets are stated at cost of acquisition less accumulated depreciation.

VI. Inventories:-

- a) Stores and components - At cost
- b) Raw material - At cost
- c) Work in Progress - At Estimated cost.
- d) Scrap - At realizable value.

VII. Deferred Sales Tax:-

The Company values its obligation for deferred sales tax on net present value basis

	Current Year (Rs.)	Previous Period(Rs.)
2) Estimated amount of Contract remaining to be executed on Capital Account and not provided for:	Nil	Nil
3) Contingent Liabilities not provided for:		
1) Claims against the Company not acknowledge as debts.	Nil	Nil
2) Bank Guarantee	87,65,649	4,045,713
3) In respect of sales tax	10,938,605	13,496,252

Particulars	As at 31 st Mar 2009	As at 31 st Mar 2008
<u>Deferred Tax Liabilities</u>		
1. On account of timing difference in Depreciation	(19,574,271)	(21,684,916)
<u>Less: - Deferred Tax Assets</u>		
1. On account of timing difference in unabsorbed losses & b/f depreciation	16,225,932	63,566,946
2. Provision for deferred sales tax	5,073,678	4,204,334
3. 43B Disallowance	(299,840)	299,840
DTA	40,574,041	89,756,037

11) Additional information pursuant to the provision of paragraphs 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

	Unit	Current Year		Previous Period	
		Quantity	Value(Rs.)	Quantity	Value (Rs.)
A Sales by class of goods :					
1) Cylinders (Halves)	Nos.	NIL	-	NIL	-
2) Pressure Vessels / Structural Material	MT./Nos.	749.228/10	112145372	397.364	54417555
				276.405	13906869
3) Contracts		NIL	-	NIL	-
B Raw Material Consumed :	MT.	669.773		791.982	
C License & Installed Capacity	Unit				
<u>Installed Capacity</u>					
Cylinders	Nos.	350000		350000	
Pressure Vessels	MT	3000		3000	
<u>Actual Production</u>					
Cylinders	Nos.	NIL	-	NIL	-
Pressure Vessels / Structural Material	MT	749.228	-	397.364	-
				276.405	-
			Amount (Rupees)		Amount (Rupees)
D Value of Imports Calculated on C. I. F. Basis:					
1) Raw Materials			NIL		NIL

- 12) The Company does not have information regarding of its supplier who is Small Scale Industrial Undertakings and hence, the required information has not been furnished. However, the Company has not received any claim from any party for payment of any interest.
- 13) Sundry Debtors & Creditors are subject to confirmation.
- 14) No provision has been made in respect of liability for gratuity & earned leave due to employees as required by Accounting Standard - 15 of the ICAI. In the absence of actuarial valuation, it is not possible to quantify the amount by which the Profit of the Company will be affected.
- 15) The Company is principally engaged in Metal fabrication and is managed as one entity governed by the same setoff risks and return, hence there are no separate reportable segment as per Accounting Standard - 17 on Segmental Reporting issued by the Institute of Chartered Accountant of India
- 16) Related Party Disclosures: -
- a) Names of Related Parties and description of relationship: -
- I Associate companies
Expo Project Eng. Services Private Limited, Arabesques Investments Private Limited, Bianca Investments Private Limited, L. Ebrahim Haji Sheriff & Co Private Limited, K.S. Shivji & Company, Steelex Corporation, Expo India Agencies.
- II Key management personnel and relatives
Mr. S. S. Mewawala
- b) Nature of transaction with Associates and Key Management Personnel

Nature of Transaction	(Rs.In Lacs)		
	Associate Companies	Key Management Personnel	Total
1. Managerial Remuneration	0.00 (0.00)	1.80 (2.70)	1.80 (2.70)
2. Debtors	69.36 (69.11)	0.00 (0.00)	69.36 (69.11)
3. Loans, Advances & Deposit	45.64 (45.64)	0.00 (0.00)	45.64 (45.64)

Note: -

- 1) Previous year figures are not comparable as the financial results pertains to a year & the previous year figures pertains to a period of 18 months.
- 2) Details of remuneration paid to Directors are disclosed in Note: - 18 below.

- 17) Earning per Share
The basic and diluted EPS is calculated as under: -

Profit / (Loss) attributed to Equity Shareholders (Rupees)	37,53,156	(64,41,273)
No. of Equity Shares of Rs. 10/- each	77,86,400	77,86,400
Earning per Share (Rs.)	0.48	(0.83)

- 18) Auditors Remuneration:

	<u>Current Year</u>	<u>Previous Period</u>
	(Rs.)	(Rs.)
Auditors Fees	95,702	92,730

- 19) Managerial Remuneration paid/payable to Directors:

	<u>Current Year</u>	<u>Previous Period</u>
	(Rs.)	(Rs.)
<u>Managing/Whole-Time/Marketing Directors</u>		
- Salaries	1,80,000	2,70,000
- Perquisites		

- 20) Figures of the previous year have been regrouped and rearranged wherever necessary.

As per our report attached.

KETAN N. SHAH & CO.
(Chartered Accountants)

(K. N. SHAH)
(Proprietor)

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)

SAYED ABBAS ALI
(Director)

Place : Mumbai
Date : 29/08/2009

Place : Mumbai
Date : 29/08/2009

Place : Mumbai
Date : 29/08/2009

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2009

(Amount in Rupees)

	31.03.2009	31.03.2008
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before Tax and extra-ordinary items	54,551,952	4,233,422
Depreciation	4,613,245	8,585,892
Depreciation writeback on sale of Assets	(18,787,636)	(596,800)
Interest Paid		
Prior period adjustments - -		
Extraordinary Items	52,103,218	
(Profit) /Loss on sale of assets	2,720,354	(90,000)
Operating profit / (Loss) before Working Capital changes	<u>95,201,132</u>	<u>12,132,513</u>
Adjustment for		
Inventories	(13,843,291)	(14,598,617)
Sundry Debtors	(24,735,835)	(12,326,255)
Loans and Advances	(1,798,922)	1,925,259
Current Liabilities & Provisions	76,642,937	(21,043,004)
Cash generated from Operations	<u>131,466,021</u>	<u>(33,910,103)</u>
Less: Interest Paid	-	-
Add: Profit on sale of Assets	(2,720,354)	90,000
Less: Current Year Tax	1,616,800	121,104
Excess Provision of Tax Earlier year		
CASH FLOW BEFORE ADJUSTMENT FOR PRIOR PERIOD ADJUSTMENT	<u>127,128,867</u>	<u>(33,941,207)</u>
Extraordinary Items	52,103,218	
Prior Periods adjustments - -		
NET CASH FROM OPERATING ACTIVITIES	<u>75,025,649</u>	<u>(33,941,207)</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(24,377)	(171,909)
Sale of Fixed Assets	27,316,191	596,800
Deferred Revenue Expenditure.	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
Interest Received	-	-
Dividend Received	-	-
NET CASH USED IN INVESTING ACTIVITIES	<u>27,291,814</u>	<u>424,891</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue	-	-
Warrant Application Money	11,250,000	
Share issue expenses	-	-
Proceeds from Long Term Loans	(117,956,150)	26,443,303
NET CASH USED IN FINANCING ACTIVITIES	<u>(106,706,150)</u>	<u>26,443,303</u>
Net increase in cash & cash Equivalents	(4,388,687)	(7,073,013)
Cash & Cash Equivalents, beginning of period	6,506,102	13,579,114
Cash & Cash Equivalents, end of period	<u>2,117,415</u>	<u>6,506,102</u>

Vide our report of even date annexed

KETAN N. SHAH & CO.
(Chartered Accountants)

(K. N. SHAH)
(Proprietor)

Place : Mumbai
Date : 29/08/2009

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)

Place : Mumbai
Date : 29/08/2009

SAYED ABBAS ALI
(Director)

Place : Mumbai
Date : 29/08/2009

**PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL
BUSINESS PROFILE**

I Registration Details

State Code :

1	1
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Registration No. :

0	2	7	8	3	7
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Balance Sheet Date:

3	1
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0	3
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2	0	0	9
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Date Month Year

II Capital raised during the year (Amount in Rs. Thousands)

Public Issue

				-					
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Rights Issue

				-					
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Bonus Issue

				-					
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Private Placement

				-					
--	--	--	--	---	--	--	--	--	--

III Position of Mobilisation and deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

			1	5	9	6	2	5
--	--	--	---	---	---	---	---	---

Total Assets

			1	5	9	6	2	5
--	--	--	---	---	---	---	---	---

Sources of Funds

Paid up Capital

			3	1	1	4	5
--	--	--	---	---	---	---	---

Reserves & Surplus

			1	4	7	7	7
--	--	--	---	---	---	---	---

Secured Loans

			5	0	0	0	0
--	--	--	---	---	---	---	---

Unsecured Loans

			5	2	4	5	3
--	--	--	---	---	---	---	---

Application of Funds

Net Fixed Assets

			7	7	6	4	4
--	--	--	---	---	---	---	---

Investments

						N	I	L
--	--	--	--	--	--	---	---	---

Net Current Assets

			4	1	4	0	7
--	--	--	---	---	---	---	---

Misc. Expenditure

						N	I	L
--	--	--	--	--	--	---	---	---

Accumulated Losses

						N	I	L
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IV Performance of Company (Amount in Rs. Thousands)

Turnover	Total Expenditure																				
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px; text-align: center;">1</td> <td style="width: 20px; height: 20px; text-align: center;">7</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px; text-align: center;">1</td> <td style="width: 20px; height: 20px; text-align: center;">9</td> <td style="width: 20px; height: 20px; text-align: center;">3</td> <td style="width: 20px; height: 20px; text-align: center;">4</td> </tr> </table>				1	7		1	9	3	4	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px; text-align: center;">1</td> <td style="width: 20px; height: 20px; text-align: center;">1</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px; text-align: center;">7</td> <td style="width: 20px; height: 20px; text-align: center;">7</td> <td style="width: 20px; height: 20px; text-align: center;">8</td> <td style="width: 20px; height: 20px; text-align: center;">9</td> </tr> </table>				1	1		7	7	8	9
			1	7		1	9	3	4												
			1	1		7	7	8	9												
+ - Profit/Loss before tax	+ - Profit/Loss after tax																				
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px; text-align: center;">+</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px; text-align: center;">5</td> <td style="width: 20px; height: 20px; text-align: center;">4</td> <td style="width: 20px; height: 20px; text-align: center;">5</td> <td style="width: 20px; height: 20px; text-align: center;">5</td> <td style="width: 20px; height: 20px; text-align: center;">2</td> </tr> </table>	+					5	4	5	5	2	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px; text-align: center;">+</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px; text-align: center;">3</td> <td style="width: 20px; height: 20px; text-align: center;">7</td> <td style="width: 20px; height: 20px; text-align: center;">5</td> <td style="width: 20px; height: 20px; text-align: center;">3</td> </tr> </table>	+					3	7	5	3	
+					5	4	5	5	2												
+					3	7	5	3													

(Please tick Appropriate box + for Profit , - for Loss)

Earning per Share in Rs.

	+	0	.	4	8
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Dividend rate %

	-	-	-
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V Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No.

--	--	--	--	--	--	--	--	--	--

(ITC Code)

Product

P	R	E	S	S	U	R	E		V	E	S	S	E	L	S		
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Description

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Item Code No.

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(ITC Code)

Product

S	I	T	E		E		E	N	G	I	N	E	E	R	I	N	G		
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Description

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Item Code No.

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(ITC Code)

Product

C	O	L	U	M	N	S		&		T	O	W	E	R	S		
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Description

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KETAN N. SHAH & CO.
(Chartered Accountants)

SHAUKATALI S. MEWAWALA :
(Managing Director)

(K.N. SHAH)
Proprietor

SAYED ABBAS ALI :
(Director)

Place : Mumbai
Date : 29/08/2009

Place : Mumbai
Date : 29/08/2009

PROXY FORM

EXPO GAS CONTAINERS LIMITED

Regd. Office: - Expo House, 150, Sheriff Devji Street, Mumbai – 400 003

DP ID* Master Folio No.
Client Id * No. of Shares held.
I / We
of being a Member(s) of Expo Gas Containers
Limited hereby appoint Mr. / Ms.....
of or failing him / her
of as my / our proxy to vote for me / us on my / our
behalf at the 26th Annual General Meeting to be held on Wednesday, the 30th September
2009 at 11.00 A.M. or any adjournment thereof.

Signed this _____ day of _____ 2009.

Affix Rs. 1.00/- Revenue Stamp

* Applicable for investor holding share(s) in electronic form

Affix Rs. 1.00/- Revenue Stamp

Note: - The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time for the aforesaid meeting.

ATTENDANCE SLIP

EXPO GAS CONTAINERS LIMITED

Regd. Office: - Expo House, 150, Sheriff Devji Street, Mumbai – 400 003

Please fill attendance slip and hand it over at the entrance of the Meeting venue:

DP ID* Master Folio No.
Client Id * No. of Shares held.

I certify that I am a Member / Proxy for the Members of the Company.

I hereby record my presence at the 26th Annual General Meeting of the Company held on Wednesday the 30th September 2009 at 11.00 A.M.

Members' / Proxy's name in Block Letters

Signature of Member / Proxy

* Applicable for investor holding share(s) in electronic form

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Expo House,
150, sheriff Devji Street,
Mumbai - 400 003.

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