

# **RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

**31<sup>st</sup> Annual Report**

**2010-11**

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

**BOARD OF DIRECTORS**

S.G. BAJORIA  
AVINASH BAJORIA  
ALKA BAJORIA  
RAGHUNANDAN JALAN

**Chairman Cum Managing Director**  
**Jt. Managing Director**  
**Director**  
**Additional Director**

**BANKERS**

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

**AUDITORS**

S.S. SURANA & CO.

**FACTORY &  
REGISTERED OFFICE**

SP-825, ROAD NO. 14  
VISHWAKARMA INDUSTRIAL AREA  
JAIPUR.

**Rajasthan Cylinders & Containers Limited**  
**Regd. Office: SP 825 Road No. 14, V K I Area, Jaipur 302013**

**NOTICE**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of Rajasthan Cylinders & Containers Limited will be held at SP-825, Road No.14, V.K.I. Area, Jaipur on Friday the 30<sup>th</sup> September, 2011 at 11.00 A.M. to transact the following business: -

**Ordinary Business:**

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2011 and the Report of Directors and Auditors thereon.
2. To appoint a director in place of Smt. Alka Bajoria who retires by rotation at the ensuing meeting and being eligible, offers herself for reappointment.
3. To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit to pass with or without modification (s) the following resolution as an ordinary resolution:

**“RESOLVED THAT** M/s S. S. Surana & Co., Chartered Accountants Jaipur be and is hereby appointed as the auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company.”

**Special Business**

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

**“RESOLVED THAT** pursuant to the provision of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Sh. Raghunandan Jalan who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Articles of Association of the company be and is hereby appointed as Director of the company subject to retirement by rotation.”

**By Order of the Board**

Registered Office:

SP-825, Road No. 14,  
V.K.I. Area,  
Jaipur-302013

Sd/-

**Chairman-cum-Managing Director**

Place: Jaipur  
Date: 30.08.2012

**Notes:**

- (a.) A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member
- (b) The Proxy form is enclosed, which should be deposited at the Registered office of the Company duly completed and signed not later than 48 hours before commencement of the meeting.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from 27.09.2011 to 30.09.2011(both days inclusive) for the purpose of closure of transfer books.
- (d) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business as set out above is annexed hereto.

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.**

**Item No.4**

The Board of the company had at its meeting held on 14.12.2010 appointed Sh. Raghunandan Jalan as an Additional Director of the Company. In terms of the provision of Section 260 of the Companies Act, 1956 read with Articles of Association of the company Sh. Raghunandan Jalan holds his office only upto the date of this Annual General Meeting.

Your Company has pursuant to Section under 257 of the Companies Act, 1956 received a notice in writing proposing his candidature for the Office of Directors.

Your directors recommend the resolution for your approval.

**Registered Office:**

SP-825, Road No. 14,  
V.K.I. Area,  
Jaipur-302013

**By Order of the Board**

Sd/-

**Chairman-cum-Managing Director**

Place: Jaipur  
Date: 30.08.2012

**Rajasthan Cylinders & Containers Limited**  
**Regd. Office: SP 825 Road No. 14, V K I Area, Jaipur 302013**

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 31<sup>st</sup> Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2011

<b>FINANCIAL RESULTS</b>	<b>(Rs. in Lacs)</b> <b>2010-11</b>	2009-10
Surplus before Depreciation	165.28	203.01
Less: Depreciation	53.56	50.64
	-----	-----
Net Surplus from Operations	111.72	152.37
Less: Adjustment for Income Tax	34.91	23.53
: Deferred Tax Liability	(10.84)	29.88
	-----	-----
	87.65	98.96
 Add: Surplus from previous year	 1848.44	 1,749.48
Surplus carried forward	1936.09	1,848.44

During the year the production of Cylinders, Valves and regulators were 2,23,926 nos., 16,80,381 nos. and 1,72,303 nos. against the production 4,40,674 nos., 11,47,850 and 3,49,350 nos. respectively recorded in previous year. Sales during the year were recorded Rs. 4119.67 lacs as against Rs. 5375.74 Lacs in the previous year.

During the year 2010-11, the Company recorded lower sales and production of cylinders mainly due to technical reasons. Company's products are subject to quality verification by Bureau of Indian Standard (BIS). BIS have provided various check system to be followed by the company during production and Company strictly following those system and maintain the quality as per standard provided by BIS.

Only after clearance by BIS, Company is dispatching its products to the customers. As per existing policies, if any leakage occurred at the first stage of gas filling than BIS suspend the production till they identify the reasons and such reasons are being rectified. During the year about 2 times company was asked by BIS to suspend the production in view of leakage observed at gas filling stage and during that suspension period company suffered the production of cylinders.

However, company has taken all steps as advised by BIS time to time and since 6<sup>th</sup> January 2011 it is having the regular production of Cylinders.

**OTHER ACTIVITY:**

In trading activities company has sold the Marble during the year.

**PROSPECTS FOR CURRENT YEAR:**

The Company is mainly supplying the Cylinders to the Oil marketing Companies and the flow of orders depend upon the order released by them following the government policies. We are hope ful that Company will be getting regular orders from Oil Marketing Companies in view of the government policies to provide LPG connection in the rural India.

**FIXED DEPOSIT:**

Your Company has not accepted any deposits from the public in the year under review.

**DIRECTORS RESPONSIBILITY STATEMENT & OTHER INFORMATION:**

Pursuant to the requirements under section 217 (2 AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

- 1) That in the preparation of the Accounts for the Financial Year ended 31st March, 2011 the applicable accounting standards has been followed.
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 profit of the Company for the year under review.
- 3) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) That the Directors have prepared the accounts for the financial year ended 31st March, 2011 on a going concern basis.

**DIRECTORS:**

Sh. Raghunandan Jalan was appointed as Additional Director during the year and he held the office till the date of the ensuing Annual General Meeting. The requisite notices together with necessary deposits have been received from a member pursuant to Section 257 of the Companies Act, 1956 proposing the election of Sh. Raghunandan Jalan as Director of the Company.

Smt. Alka Bajoria retires by rotation and being eligible, offer herself for reappointment

**AUDITORS:**

M/S S. S. Surana & Co. Chartered Accountants Jaipur retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**Explanation on Auditors Observations**

The observations in the Auditor's report have been dealt with by making relevant notes in the Accounts and following comments /clarifications are given below:-

1. In regard to gratuity and leave encashment, the liability are being paid as and when it becomes payable and there is no default in payment of the same.
2. Regarding non provision of leave encashment the management of the Company encourages its employees to avail the leave entitled to them. The leave encashment is paid to employee as and when they leave the Company and there is no default in payment of same.

**COMPLIANCE CERTIFICATE:**

Your Company has complied with all applicable provisions of Companies Act, 1956 as applicable to it during the financial year 2010-11 and has maintained necessary records & other Statutory registers as required by the act.

**DIVIDEND:**

In order to preserve the funds for further diversification the Board of Directors of the Company has decided not to recommend payment of dividend.

**EMPLOYEES:**

None of the employee has received the remuneration in excess of the limits specified in the section A Statement showing particulars as per section 217 (2A) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Reports of Board of Directors) Rule 1988 has not been appended as.

**ACKNOWLEDGEMENT:**

The Board of Directors expresses their gratitude and its appreciation to the continued cooperation and support of Company's Banker, Government Departments & Other Agencies. The Board also records its deep appreciation of the creditable services rendered by the Company's employees at all levels.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXPENDITURE:**

Information in accordance with Section 217 (1)(e) of the Companies Act 1956, read with Companies (Disclosures of Particulars in the Reports of Board of Directors) Rule 1988 is given in the Annexure forming part of this Report.

**For & On behalf of the Board**

**Sd/-  
Chairman-cum-Managing Director**

**Place: Jaipur  
Date : 30.08.2011**



## ANNEXURE TO DIRECTOR'S REPORT

### FORM 'A'

#### ANNEXURE TO THE DIRECTORS' REPORT - INFORMATION UNDER SECTION 217 (1)(e) OF THE COMPANIES ACT 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTOR'S REPORT

##### A. CONSERVATION OF ENERGY:

Disclosure of particulars with respect to conservation of Energy (to the extent applicable.)

##### a. Power & Fuel Consumption

	Current Year	Previous Year
1. Electricity:		
a) Purchased:		
Units	13,09,190	18,60,070
Total Amount (Lacs)	65.55	91.59
Rate/Unit	5.01	4.92
b) Own Generation:		
Through Diesel Generator	A very small amount of electric power is Generated through D.G. Set installed for the purpose of Emergency power supply whenever there is power cut from JVVNL to sustain the running plant.	
b. Consumption per Unit Of production of LPG Cylinder	3.57	3.16

##### b. Technology Absorption:

The Company has not undertaken Research and Development (R&D) on Technology, Absorption, Adaptation and Innovation during the year.

##### C. Foreign Exchange Earnings and Outgoing:

1) Earned (Rs/Lacs)	----	12.54
2) Used (Rs./Lacs)	6.38	----

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management present its analysis report covering performance and out look of the Company. The report has been prepared in compliance with corporate governance requirement as laid down in the listing agreement. The management accept responsibility for the integrity and objectivity of the financial statement. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

### 1. INDUSTRY STRUCTURE AND DEVELOPMENT

The overall performance of the LPG Cylinder's manufacturer has been satisfactory during the financial year 2010-11.

### 2. OPPORTUNITIES AND THREATS

The Company's project is situated at Jaipur.

The government's policies in regard to provide LPG connection in rural areas provide a good opportunity for growth.

However, the technology upgradation and propose use of alternate material for LPG cylinders alongwith supply of LPG through pipelines are the challenges to the cylinder's manufacturer.

### 3. PERFORMANCE

The Performance of the company during the year is as under:-

Particulars	2010-11	2009-10
	(Rs. /Lakhs)	
PBDAI	165.28	203.01
PAD	111.72	152.37
PAT	87.65	98.96

### 4. OUT LOOK

Management of the view that as per present policy of the Central Government their would be continuous flow of the orders and your company will be operating at maximum level.

### 5. INTERNAL CONTROL SYSTEM

The Company has adequate internal control system to safeguard the company's assets from any loss or damage, to control cost, prevent revenue loss and required financial and accounting controls and to effectively implement the applicable accounting standards.

## 6. HUMAN RESOURCES AND INDUSTRIAL RELATION

During the year, various HR measures were taken to make the HR policies up to the required business needs. The Company has strong and dedicated team of employees and they have shown commitment, competence and dedication in all area of business.

## 7. CAUTION STATEMENT

Statement in this Management Discussion and Analysis Report describing the Company's objectives, estimates etc. may be "forward Looking Statement" within the applicable laws and regulations. Actual results may vary from these expressed or implied; several factors that may effect Company's operations include Raw Material prices, Government Policies and several other factors. The Company takes no responsibility for any consequences of the decision made, based on such statement and holds no obligation to update these in future.

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Corporate practices ensure that Company meets its obligation to optimize shareholders value and compliance with the regulation leading to effective central and management of organization. Corporate governance has assumed great significations in India in the recent past in the form of amendment in the Companies Act 1956 and the revised clause 49 of the listing Agreement with Stock Exchange. However most of the provisions of the Corporate Governance code prescribed by the Companies Act and the listing Agreement have been complied with and the balance will be complied with the prescribed period.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company comprise of Four Directors, out of which Two are Non-Executive. The Managing Director and whole time Director fall in the category of Executive Directors. Two Directors are independent Directors. The details of Board Composition as on 31<sup>st</sup> March, 2011 are appended below:-

Name of the Director	Whether Promoter, Executive or Non-Executive/ Independent
Shri Sree Gopal Bajoria	Executive
Shri Avinash Bajoria	Executive
Smt Alka Bajoria	Non-Executive & Independent
Shri Raghunandan Jalan	Non Executive & Independent

### 3. BOARD MEETINGS

During the review, 13 Board meeting were held, the dates Being 16.04.10, 30.04.10, 16.06.10, 26.06.10, 15.07.10, 20.07.10, 04.09.10, 29.09.10, 16.10.10, 09.11.10, 14.12.10, 30.01.11 and 28.03.11. Details of attendance during 2010-11 and other particulars are as given below:-

Name of the Director	Title	No. of Board Meeting attended	Whether Attended last AGM	No. of out Director ship held in other listed Companies
Sh.Sree Gopal Bajoria	C.M.D	13	Yes	1
Sh.Avinash Bajoria	Jt.M.D.	13	Yes	1
Smt. Alka Bajoria	Director	Nil	No	Nil
Sh. Raghu Nandan Jalan	Director	Nil	No	Nil

#### 4. ANNUAL GENERAL GENERAL MEETING

Date : 30<sup>th</sup> September 2011

Venue : 825 Road No. 14 VKI Area Jaipur 302013

Time : 11.00 AM

#### 5. AUDIT COMMITTEE :

Apart from all matters provided in Clause 49 of the Listing Agreement and Section 292 –A of the Companies Act 1956 the Audit Committee reviews report of the internal Audit Department meets statutory auditors as and when required and discusses their findings , suggestion , internal control system , scope of Audit observation of auditors and other related matters, It also reviews major accounting policies followed by the Company

Presently the Committee consists the following members and met four times during the year on 30<sup>th</sup> July 2010, 16<sup>th</sup> October 2010, 28<sup>th</sup> January 2011 and 28<sup>th</sup> March 2011.

Name of Member	No. of Meeting attended
1. Sh. Avinash Bajoria	4
2. Sh. Sree Gopal Bajoria	2
3. Sh. Raghunandan Jalan	2

#### 6. REMUNERATION COMMITTEE :

The Remuneration Committee of the Board of Directors has been constituted in accordance with the prescribed guidelines. The Remuneration Committee comprises of two directors. The Remuneration Committee comprises of following directors:-

Shri Sree Gopal Bajoria  
Shri Raghunandan Jalan

The board terms of reference of Remuneration Committee are in accordance with the prescribed guidelines, as set out in the Listing Agreement. During the year under review one meetings of the Remuneration Committee were held, the date being 28.01.2011.

Remuneration Paid to whole time Directors during 2010-11.

DETAILS	CMD SH. Sree Gopal Bajoria	Jt. MD SH. Avinash Bajoria
1. SALARY	12,00,000	12,00,000
2. OTHER PERQUISITE		25,000
TOTAL	12,25,000	12,25,000

**7. SHAREHOLDER'S INFORMATION:**

A. Means of Communication :- The quarterly , half yearly and annual audited financial results of the Company are sent to the Stock Exchange immediately after the Board approves them.

B. Investors grievance: The Company has constituted a Shareholders / Investors grievance committee for redressing shareholders and investors complaints. Shri Avinash Bajoria is a member of the Committee and Sh. Suresh Jain is the Compliance officer.

C. Share Transfers :- All Share Transfers are handled by Company Registrar and Share Transfer Agent M/s Beetle Financial & Computer Services (P) Ltd. Beetle House 3<sup>rd</sup> Floor 99 Madangir Behind Local Shopping Centre Near Dada Harsukhdas Mandir New Delhi 110062 a Registrar registered with SEBI.

D. Details of General Meeting / Last 3 Annual General Meeting

Year	Date	Time	Venue
2010	29.09.2010	11.00 AM	SP 825 VKI Area Jaipur
2009	14.09.2009	03.00 PM	SP 825 VKI Area Jaipur
2008	29.09.2008	11.00 AM	SP 825 VKI Area Jaipur

E. Financial Calendar :- Financial year 1<sup>st</sup> April to 31<sup>st</sup> March

1 <sup>st</sup> Quarter	End of July 2011
2 <sup>nd</sup> Quarter	End of October 2011
3 <sup>rd</sup> Quarter	End of January 2012
4 <sup>th</sup> Quarter	End of April 2012

Annual General Meeting for the year 2012 End of September 2012

F. Book Closure : The register of Members and Share Transfer Books of the Company shall remain close from 27.09.2011 to 30.09.2011 (both days inclusive)

G. Dividend payment Date : During the year the Company has not declared any dividend.

H. The names of the Stock Exchange at which the Equity Shares are listed and the respective codes are as under :-

Name of the Stock Exchange	Stock Code No.
Calcutta Stock Exchange	28081
Jaipur Stock Exchange	89

I. Shareholding pattern of the Company :-

	% of Shareholding	No. of Shares
I ) Financial Institutions / Banks/ Mutual Funds	NIL	NIL
ii) FIL's / NRI's / OCB's		
iii) Body Corporate	07.51	1,68,406
iv) Indian Public	12.44	2,78,756
v) Promoters	80.05	17,93,901
	100.00	22,41,063

J. Shares held in Physical and Dematerialised form

As on 31<sup>st</sup> March 2011 94.88% Shares are held in dematerialized form and rests are in Physical Forms.

K. Plant and Registered office located at :-

Rajasthan Cylinders & Containers Ltd.  
SP 825 Road No. 14 VKI Area,  
Jaipur 302013

Telephone No. 0141- 2331771 /2

Fax No. 0141-2330810

Email address [bajoriagroup@dataone.in](mailto:bajoriagroup@dataone.in)

L. Electronic Clearing Services (ECS) for payment of dividend :- ECS facility for payment of dividend is presently not introduced.

M. Shareholders holding shares in electronic form may give instruction regarding bank details, which they wish to incorporate to their depository participants. As per regulations of NSDL and CSDL the Company is obliged to print the bank details on the dividend warrants as furnished by those depositories to the Company.

N) Code of Conduct declaration :-

To  
The members  
Rajasthan cylinders & Containers Ltd.

I Sree Gopal Bajoria Chairman cum Managing Director of the Company do hereby declare that all the compliance with the code of conduct as laid down by the Company in terms of Clause 49 of the Listing Agreement.

Place : Jaipur  
Date : 30.08.2011

Sd/-  
(S.G.Bajoria)  
Chairman Cum Managing Director

**S.S.SURANA & CO.**  
*CHARTERED ACCOUNTANTS*  
**C-94, Lal Kothi Scheme, Jaipur- 302003 Phone 2742995**

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**AUDITORS' REPORT**

To

**The Members of  
Rajasthan Cylinders & Containers Limited**

1. We have audited the attached Balance Sheet of Rajasthan Cylinders & Containers Limited as at 31st March, 2011 and the Profit & Loss Account of the said Company for the year ended on that date annexed hereto. 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 conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and 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 (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4-A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the 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, we state that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet and Profit and Loss Account and Cash flow dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 subject to:
    - i) **Non provision of gratuity amounting to Rs. 8,19,779/- refer note No. 10 of Schedule 18**
    - ii) **Non provision of accrued leave pay amounting to Rs. 5,44,774/- refer note no 11 of Schedule 18.**
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;

- f) In our opinion and to the best of our information and according to the explanations given to us, the said statements of accounts read together with the Significant Accounting Policies and Notes on Accounts as referred in Schedule - 18 thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- a) In the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011,
  - b) In the case of Profit and Loss Account, of the " Profit " for the year ended on that date and
  - c) In the case of Cash flow statement, of the cash flows for the year ended on that date.

**For S.S.SURANA & CO.**  
*Chartered Accountants*  
(Registration No. 001079C)

Sd/-  
(R.N.Goyal)  
Partner

**Membership No.70331**

Place: Jaipur  
Date : 30/08/2011



## ANNEXURE FORMING PART OF THE AUDITORS' REPORT

Referred to in the report of even date of the Auditors to members of Rajasthan Cylinders & Containers Limited

- (i)
  - (a) As explained to us, the Company generally maintains proper record showing full particulars including Quantitative details and Situation of fixed Assets .
  - (b) As informed to us, part of the assets have been physically verified by the management in accordance with a phased programme of verification; however such physical verification reports were not available for our verification. As informed to us, no material discrepancies have been noticed on such verification ; however we could not verify such discrepancies in absence of fixed assets records and physical verification report.
  - (c) During the year, the company has not disposed off substantial part of fixed assets and this has not affected the going concern.
- (ii)
  - (a) As per information furnished, the inventory lying at its location have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories 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 records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.
- (iii)
  - a) According to information and explanations given to us during the year company has given interest free advances to Companies, firms or other parties covered in the register maintained under Section 301 of the the Companies Act 1956.  

The maximum amount due during the year is Rs. 820.68 lakhs and the year end balance of advances so granted was Rs. 88.29 lakhs. As explained to us these advances have been given in current account.
  - b) In our opinion and according to the information and explanations given to us after considering the purpose for which advances have been granted as indicated in paragraph 4 (iii) (a) of the Companies (Auditor's Report) Order 2003 (hereinafter referred to as order), the terms and conditions of the advances granted are prima-facie not prejudicial to the interest of the Company.
  - (c) The principal amounts are repayable on demand and there is no repayment schedule.
  - (d) In respect of the said advances the same are repayable on demand and therefore the question of overdue amounts does not arise.
  - (e) According to the information and explanation given to us interest free loans taken by the Company from Companies , firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956 are in Current Account. Maximum amount outstanding during the year is Rs. 433.00 lakhs and the year end balance is Rs.NIL..

(f) In our opinion and according to the information and explanations given to us after considering the purpose for which loans have been taken by the Company the terms and conditions of unsecured loan taken are not prejudicial to the interest of the Company.

(g) In our opinion the Company is regular in payment of the principal and interest amount to the bank.

iv) In our opinion and on the basis of our checks carried out during the course of audit and as per information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for purchases of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

(v) a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions which need to be entered into register maintained under section 301 of the Companies Act, 1956 have been so entered.

b) According to information and explanations given to us, the transaction made in pursuance of such contracts or arrangements have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time or at the prices at which, such transactions have been entered into with other prices at which, such transactions have been entered into with other parties.

(vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.

(vii) In our opinion, the inherent internal audit system of the company is commensurate with the size of the Company and nature of its business.

(viii) The Central Government has not prescribed maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 for the products of the company.

(ix) (a) According to the records of the company produced for our verification, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, sales tax, excise duty and other applicable statutory dues and no undisputed dues as noted above is outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, disputed amounts payable in respect of certain statutory demands & outstanding at the year end were as follows :-

Name of statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Disputed	Dispute Pending with Appropriate authorities
State Sales Tax Act	Deferment Difference against Vat Credit	3,61,257/-	31/03/07,31/03/08 & 31/03/2009	Dy. Commissioner of Sales Tax (Appeals)

- (x) There are no accumulated losses of the company as at 31<sup>st</sup> March, 2011. The company has not incurred cash losses during the financial year covered by our audit and cash loss was also not incurred in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution and bank.
- (xii) Based on our examination of books of account and information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statutes applicable to chit fund, nidhi or mutual benefit fund/society are not applicable to the company.
- (xiv) As per the records produced for our verification and according to the information and explanations given to us, the Company is also dealing or trading in shares and units and proper records have been maintained of the transactions and contracts and timely entries have been made therein. The company is not dealing in debentures and other investments. The shares and securities as stated above have been held by the company in its own name.
- (xv) In our opinion and according to the information given by the Company for the loan taken by Agribiotech Industries Ltd., a subsidiary Company from Banks outstanding since earlier years are not prejudicial to the interest of the company.
- (xvi) According to the information and explanation given to us and records examined by us, the company has not defaulted in repayment of dues of Bank. During the year company has not taken any term loan.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company we report that no funds raised on short- term basis have been used for long term investment.
- (xviii) The company has not made allotment of preferential share to any party during the year..
- (xix) The Company has not issued any debentures.
- (xx) The company has not raised any money by way of public issue.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, no fraud on or by the company has been noticed or reported during the year in course of audit.

**For S.S.SURANA & CO.**  
*Chartered Accountants*  
(Registration No. 001079C)

Place: Jaipur  
Date : 30/08/2011

Sd/-  
(R.N.Goyal)  
Partner  
**Membership No. 70331**

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.****BALANCE SHEET AS AT 31ST MARCH,2011**

	SCHEDULE	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
<b>SOURCES OF FUNDS</b>			
SHARE CAPITAL	1	223,99,242	223,99,242
RESERVES & SURPLUS	2	2349,62,399	2274,76,027
SECURED LOANS	3	627,09,075	331,23,356
UNSECURED LOANS & TRADE DEPOSITS	4	852,27,607	300,51,858
DEFERRED TAX LIABILITY (Note No. 14 of Schedule 18)		88,91,578	99,75,325
	<b>Total</b>	<b>4141,89,901</b>	<b>3230,25,808</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	5	1853,85,117	1805,64,234
Less: Accumulated Depreciation		958,25,907	896,22,515
Net Book Value		895,59,210	909,41,719
Capital Work in Progress		2,00,000	2,00,000
		897,59,210	911,41,719
INVESTMENTS	6	1158,94,808	1151,78,308
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories		844,97,885	575,93,273
Sundry Debtors		626,77,470	290,60,343
Cash and Bank Balances		85,55,764	48,74,407
Other Current Assets		2,71,879	4,35,374
Loans and Advances		951,68,351	603,17,479
		2511,71,349	1522,80,876
CURRENT LIABILITIES & PROVISIONS	8	426,35,466	355,75,095
NET CURRENT ASSETS		2085,35,883	1167,05,781
	<b>Total</b>	<b>4141,89,901</b>	<b>3230,25,808</b>
Significant Accounting Policies and Notes on Accounts	18		

AS PER OUR REPORT OF EVEN DATE ATTACHED.

For S.S.SURANA & CO.  
Chartered AccountantsSd/-  
(R.N. Goyal)  
Partner  
M. NO. 70331Sd/-  
(Avinash Bajoria)  
Jt. Managing Director

FOR &amp; ON BEHALF OF THE BOARD

Sd/-  
(S.G. Bajoria)  
Chairman Cum Managing DirectorPLACE : JAIPUR  
Date : 30/08/2011

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.****PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

		SCHEDULE	
		Year Ended 31.03.2011 (Rs.)	Year Ended 31.03.2010 (Rs.)
<b>INCOME :</b>			
SALES		4119,66,562	5375,73,562
LESS : Excise Duty		381,29,056	421,97,221
NET SALES		3738,37,506	4953,76,341
Trading Sales		17,75,710	4,21,120
Income From Job Charges (Net)		17,44,194	18,36,675
Increase/Decrease in Stock	9	105,25,970	51,44,559
Closing Stock (Trading)		67,44,457	86,95,225
Other Income	10	3,51,563	32,77,772
		<u>3949,79,400</u>	<u>5147,51,692</u>
<b>EXPENDITURE :</b>			
Opening Stock (Trading)		86,95,225	-
Raw Material Consumed	11	2661,17,722	3713,82,923
Trading purchases	12	-	100,30,675
Payment To & Provisions for Employees	13	84,48,349	62,25,959
Manufacturing Expenses	14	730,36,502	904,88,810
Administrative Expenses	15	102,92,130	85,38,547
Selling Expenses	16	28,76,128	22,87,609
Financial Expenses	17	89,85,158	54,95,801
Depreciation		66,34,737	63,43,069
Less: Charged from Revaluation reserve		<u>(12,78,245)</u>	<u>(12,78,245)</u>
		3838,07,706	4995,15,148
PROFIT BEFORE TAX		111,71,694	152,36,544
LESS: INCOME TAX & DEFERRED TAX			
-Current Tax		33,70,485	25,89,000
-Deferred Tax		(10,83,747)	29,87,865
(Note No. 14 of Schedule 18)			
Income Tax for earlier year		1,20,339	(2,36,110)
PROFIT AFTER TAX		<u>87,64,617</u>	<u>98,95,789</u>
Balance Forwarded from Previous Year		1848,43,653	1749,47,864
SURPLUS CARRIED OVER TO BALANCE SHEET		<u>1936,08,270</u>	<u>1848,43,653</u>
EARNING PER SHARE (BASIC)		3.91	4.42
(Note No. 26 of Schedule 18)			
Significant Accounting Policies and Notes on Accounts	18		
AS PER OUR REPORT OF EVEN DATE ATTACHED.			

For S.S.SURANA & CO.  
Chartered Accountants

FOR & ON BEHALF OF THE BOARD

Sd/-  
(R.N. Goyal)  
Partner  
M. NO. 70331

Sd/-  
(Avinash Bajoria)  
Jt. Managing Director

Sd/-  
(S.G. Bajoria)  
Chairman Cum Managing Director

PLACE : JAIPUR  
Date : 30/08/2011

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
<b>SCHEDULE : 1 SHARE CAPITAL</b>		
<b>AUTHORISED :</b>		
3000000 Equity Shares of Rs. 10/- each	300,00,000	300,00,000
<b>ISSUED,SUBSCRIBED AND PAID UP :</b>		
2241063 Equity Shares of Rs. 10/- each fully paid	224,10,630	224,10,630
Less : Calls in arrears due from other than Directors.	11,388	11,388
	<b>223,99,241</b>	<b>223,99,242</b>
<b>SCHEDULE : 2 RESERVES &amp; SURPLUS</b>		
<b>Revaluation Reserve</b>		
As per last account	426,32,374	439,10,619
Less: Transfer to Profit & Loss Account against depreciation	12,78,245	12,78,245
	413,54,129	426,32,374
<b>General Reserve</b>		
<b>Profit &amp; Loss</b>		
Balance as pe Profit & Loss Account	1936,08,270	1848,43,653
	<b>2349,62,399</b>	<b>2274,76,027</b>
<b>SCHEDULE : 3 SECURED LOANS</b>		
<b>Working Capital Limits :</b>		
Central Bank of India(C/C & O/D)	330,36,905	82,97,645
<b>Other Loans :</b>		
Loan from Kotak Mahindra Prime Ltd. (Vehicle Loan)	11,75,170	17,95,725
Loan from LIC Of India (on LIC Keyman Policy)	284,97,000	230,29,986
	<b>627,09,075</b>	<b>331,23,356</b>
Notes :		
1) Borrowings from Central Bank of India are secured by hypothecation of stocks and book debts, first charge on Plant & Machinery, second charge on Land & Building and guaranteed by Shri S.G. Bajoria and Shri Avinash .Bajoria, Directors of the Company & Corporate Guarantee by Beekay Niryat Ltd..		
2) Loan from Life Insurance Corporation of India is secured by Pledge of keyman Insurance policies of company's executives and guaranteed by the concerned Executive.		
3) Vehicle Loan is Secured against the hypothecation of Vehicle and further Secured by personal guarantee of director.		
<b>SCHEDULE : 4 UNSECURED LOANS &amp; TRADE DEPOSITS</b>		
<b>Interest Bearing</b>		
From Bodies Corporate	637,22,671	25,27,740
<b>Non Interest Beaing</b>		
From Bodies Corporate	-	46,93,257
From Others	-	8,12,141
Customers & Dealers deposits	62,01,812	64,26,700
Deferement of Sales Tax liability ( Under Sales Tax Incentive / Deferment Scheme, 1998 ) (Note No.8 of Schedule 18)	153,03,124	155,92,020
	<b>852,27,606</b>	<b>300,51,858</b>

**RAJASTHAN CYLINDERS AND CONTAINERS LIMITED**

**SCHEDULE : 5 FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-04-2010	ADD.DUR. THE YEAR	SALES/ ADJUST.	AS AT 31-03-2011	UP TO 31-03-2010	FOR THE DEP. ON SALE/ Year ADJ.	TOTAL UP 31-03-2011	AS AT 31-03-2011	AS AT 31-03-2010	
Lease hold Land	300,80,685	-	-	300,80,685	25,11,445	3,03,845	-	28,15,290	272,65,395	275,69,240
Building & Road	268,90,907	-	-	268,90,907	97,09,581	8,34,174	-	105,43,755	163,47,152	171,81,326
Plant & Machinery	928,07,383	50,53,654	-	978,61,037	541,41,357	44,69,575	-	586,10,932	392,50,105	386,66,026
Electric Installation	33,25,674	-	-	33,25,674	20,73,546	1,57,970	-	22,31,516	10,94,158	12,52,128
Furniture & Fixtures	16,09,607	91,512	-	17,01,119	8,65,400	1,69,044	-	10,34,444	6,66,675	7,44,207
Office Equipments	12,84,533	1,17,997	-	14,02,530	6,13,762	65,165	-	6,78,927	7,23,603	6,70,771
Vehicles	50,33,509	-	4,99,180	45,34,329	16,70,237	4,65,840	4,31,345	17,04,732	28,29,597	33,63,272
Temporary Shed	8,311	-	-	8,311	8,311	-	-	8,311	-	-
Dies & Punches	19,27,863	-	-	19,27,863	15,31,451	41,231	-	15,72,682	3,55,181	3,96,412
Computers	27,43,734	56,900	-	28,00,634	24,13,233	72,338	-	24,85,571	3,15,063	3,30,501
LPG Cylinders & Regulator	136,82,455	-	-	136,82,455	133,20,527	-	-	133,20,527	3,61,928	3,61,928
Weigh Bridge	9,46,306	-	-	9,46,306	6,69,901	44,950	-	7,14,851	2,31,455	2,76,405
Water & Air Supply	2,23,267	-	-	2,23,267	93,764	10,605	-	1,04,369	1,18,898	1,29,503
<b>TOTAL</b>	<b>1805,64,234</b>	<b>53,20,063</b>	<b>4,99,180</b>	<b>1853,85,117</b>	<b>896,22,515</b>	<b>66,34,737</b>	<b>4,31,345</b>	<b>958,25,907</b>	<b>895,59,210</b>	<b>909,41,719</b>
<b>CAPITAL WORK IN PROGRESS</b>	<b>2,00,000</b>		<b>-</b>	<b>2,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,00,000</b>	<b>2,00,000</b>
<b>GRAND TOTAL</b>	<b>1807,64,234</b>	<b>53,20,063</b>	<b>4,99,180</b>	<b>1855,85,117</b>	<b>896,22,515</b>	<b>66,34,737</b>	<b>4,31,345</b>	<b>958,25,907</b>	<b>897,59,210</b>	<b>911,41,719</b>
<b>Previous year Figures</b>	1804,75,827	77,15,304	74,26,897	1807,64,234	885,02,966	63,43,069	52,23,519	896,22,515	911,41,719	919,72,862

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.**

	<b>AS AT 31.03.2011 (Rs.)</b>	<b>AS AT 31.03.2010 (Rs.)</b>
<b>SCHEDULE :6 INVESTMENTS</b>		
<b>INVESTMENT IN GOVT. SECURITIES</b>		
Indira Vikas Patra	4,000	4,000
National Saving Certificate	1,000	1,000
<b>Total A</b>	<u>5,000</u>	<u>5,000</u>
<b>INVESTMENT IN SUBSIDIARY COMPANY</b>		
i) SHIPRA TOWERS ( P ) LTD 9980 Equity Shares of Rs 10/- each	99,800	99,800
ii) Agribiotech Industries Ltd 5716500 Equity Shares of Rs 10/- each	571,65,000	571,65,000
5100000 Preference Shares of Rs 10/- each	510,00,000	510,00,000
<b>Total B</b>	<u>1082,64,800</u>	<u>1082,64,800</u>
<b>INVESTMENT IN :</b> ( Companies in the same group )		
i) Heaven Marketing Pvt Ltd 11500 Equity Shares of Rs 10/- each	57,500	57,500
ii) Beetel Tieup Pvt Ltd 3300 Equity Shares of Rs 10/- each	33,000	33,000
iii) Mayawati Trading Co. Pvt Ltd 9000 Equity Shares of Rs 10/- each	90,000	90,000
<b>Total C</b>	<u>1,80,500</u>	<u>1,80,500</u>
<b>INVESTMENT IN SHARES (TRADE INVESTMENT)</b> (As per Annexure 6A)	62,34,533	55,18,033
<b>Total D</b>	<u>62,34,533</u>	<u>55,18,033</u>
<b>INVESTMENT IN MUTUAL FUNDS</b> Units of Mutual Funds ( Annexure 6 B )	12,09,975	12,09,975
<b>Total E</b>	<u>12,09,975</u>	<u>12,09,975</u>
<b>TOTAL INVESTMENT(A+B+C+D+E)</b>	<u><u>115894808</u></u>	<u><u>115178308</u></u>



									ANNEXURE 6A
<b>RAJASTHAN CYLINDERS &amp; CONTAINERS LIMITED</b>									
<b>SHARE INVESTMENT TRANSACTIONS FOR THE YEAR 2010-11</b>									
	OPENING BALANCE		BROUGHT		SOLD		GAIN/LOSS	CLOSING BALANCE	
NAME OF SCRIPT	QTY	AMOUNT	QTY	AMOUNT	QTY	AMOUNT		QTY.	AMOUNT
BEEKAY NIRYAT LTD.	420,000	1,431,000						420,000	1,431,000
FILAMENT INDIA LTD.	244,860	200,783						244,860	200,783
FILAMENT INDIA LTD.	201,000	3,280,720						201,000	3,280,720
RAJASTHAN SYNTHETIC INDUSTRIES LTD.	300	1,068						300	1,068
ITG INDUSTRIES LTD.	5,000	432,905						5,000	432,905
ISPAT IND. 01.01 CRPS	24,000	165,600						24,000	165,600
KASHYAP RADIANT	1,400	2,240	233	-				1,633	2,240
LCC INFOTECH	5,500	2,475						5,500	2,475
THE MYSORE PAPER MILLS LTD.	300	1,242						300	1,242
POWER GRID CORP.			10,466	941,940	10,466	1,029,580			
JSW ENERGY LTD.			10,000	768,768				10,000	716,500
TOTAL	902,360	5,518,033	20,699	1,710,708	10,466	1,029,580	-	912,593	6,234,533
									ANNEXURE 6B
<b>MUTUAL FUND INVESTMENT TRANSACTIONS FOR THE YEAR 2010-11</b>									
PARTICULARS	OPENING BALANCE		INVESTED		REDEEMED		GAIN/LOSS	CLOSING BALANCE	
	UNITS	AMOUNT	UNITS	AMOUNT	UNITS	AMOUNT		UNITS	AMOUNT
SUNDRAM BNP PARIBAS	250,000	1,209,975	-	-	-	-		250,000	1,209,975
SELECT SMALL CAP FUND									
	250,000	1,209,975	-	-	-	-	-	250,000	1,209,975

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
<b>SCHEDULE: 7 CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>A. CURRENT ASSETS :</b>		
<b>Stocks (as per Inventories taken , valued and certified by the management ):</b>		
Raw Materials	395,15,329	241,57,237
Stock in Process	224,46,493	120,79,700
Finished Goods	15,26,552	21,93,412
Stores & Spares	119,87,359	90,16,041
Scrap	22,77,695	14,51,658
Stock of trading goods	67,44,457	86,95,225
	<b>844,97,885</b>	<b>575,93,273</b>
<b>Sundry Debtors</b>		
(Unsecured considered good unless otherwise stated )		
Outstanding for a period exceeding six months	6,41,623	70,319
Other Debts	620,35,847	289,90,024
	<b>626,77,470</b>	<b>290,60,343</b>
<b>Cash &amp; bank balances:</b>		
Cash in hand	1,62,877	2,14,197
<b>With Scheduled banks:</b>		
In Current Accounts	66,65,382	11,09,734
Fixed Deposit (Fixed deposits receipts have been pledged with bank as margin against Bank Guarantees )	17,27,505	35,50,476
	<b>85,55,764</b>	<b>48,74,407</b>
<b>Other Current Assets</b>		
Interest accrued but not due	2,71,879	4,35,374
<b>Total (A)</b>	<b>1560,02,998</b>	<b>919,63,397</b>
<b>B. LOANS &amp; ADVANCES : (Unsecured considered good)</b>		
<b>Loans</b>		
To Subsidiaries	22,26,570	148,05,150
To Corporate Bodies	587,82,835	188,20,000
To Others	-	41,47,834
Advances recoverable in cash or in kind or for value to be received or pending adjustments	127,23,364	128,05,359
Advances to Suppliers	12,75,789	18,74,406
Advance for Purchases of Land	100,00,000	-
Income Tax Advance and Tax Deducted at Source	11,42,565	8,83,722
Prepaid Expenses	1,93,257	1,42,304
Security Deposits	88,23,971	68,38,704
<b>TOTAL (B)</b>	<b>951,68,351</b>	<b>603,17,479</b>
<b>TOTAL (A+B)</b>	<b>2511,71,349</b>	<b>1522,80,876</b>
<b>SCHEDULE :8 CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES :</b>		
Sundry Creditors	349,99,361	284,42,606
Duties & Taxes Payable	5,50,979	21,60,912
Liabilities for Expenses	29,43,945	22,47,082
Advances from Customers	15,388	14,880
Income Tax Deducted at source	7,55,308	1,20,615
<b>Sub Total (A) :</b>	<b>392,64,980</b>	<b>329,86,095</b>
<b>PROVISIONS :</b>		
Provision for Taxation	33,70,485	25,89,000
<b>Sub Total (B) :</b>	<b>33,70,485</b>	<b>25,89,000</b>
<b>Total (A+B) :</b>	<b>426,35,465</b>	<b>355,75,095</b>

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.**

	<b>Year Ended 31.03.2011 (Rs.)</b>	<b>Year Ended 31.03.2010 (Rs.)</b>
<b>SCHEDULE : 9 INCREASE/DECREASE IN STOCK</b>		
<b>CLOSING STOCK</b>		
Finished Goods including Scrap Stock	38,04,247	36,45,070
Stock in Process	224,46,493	120,79,700
	<u>262,50,740</u>	<u>157,24,770</u>
<b>Less : OPENING STOCK</b>		
Finished Goods including Scrap Stock	36,45,070	44,24,422
Stock in Process	120,79,700	61,55,789
	<u>157,24,770</u>	<u>105,80,211</u>
<b>NET INCREASE/DECREASE IN STOCK</b>	<b><u>105,25,970</u></b>	<b><u>51,44,559</u></b>
<b>SCHEDULE : 10 OTHER INCOME</b>		
Dividend on Units & Shares	2,51,450	5,284
Short Term /Long Term Capital Gain on Shares	87,640	23,06,231
Profit on Sale of Fixed Assets	-	24,700
Profit on transfer of rights in property	-	8,92,757
Miscellaneous Receipts	12,473	48,800
	<u>3,51,563</u>	<u>32,77,772</u>
<b>SCHEDULE : 11 RAW MATERIALS CONSUMED</b>		
Opening Stock	241,57,237	119,07,513
Add : Purchases (including expenses) (Including goods in transit Rs 1,62,02,551/- Previous year Rs.1,90,11,685/- )	2814,75,814	3836,32,647
	<u>3056,33,051</u>	<u>3955,40,160</u>
Less : Closing Stock	<u>395,15,329</u>	<u>241,57,237</u>
	<b><u>2661,17,722</u></b>	<b><u>3713,82,923</u></b>
<b>SCHEDULE : 12 TRADING PURCHASES</b>		
Marble Purchases	-	87,93,265
Freight,Insurance & Other Chrges	-	12,37,410
	<u>-</u>	<u>100,30,675</u>
<b>SCHEDULE : 13 PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salaries, Wages, Bonus & Other Allowances	76,23,507	54,15,349
Employers contribution to ESI & P F & Admin Chrg. Thereon	3,71,105	2,70,963
Staff & Labour Welfare Expenses	4,53,737	5,39,647
	<u>84,48,349</u>	<u>62,25,959</u>

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.**

	<b>Year Ended 31.03.2011 (Rs.)</b>	<b>Year Ended 31.03.2010 (Rs.)</b>
<b>SCHEDULE : 14 MANUFACTURING EXPENSES</b>		
Stores & Spares Consumed	427,22,241	572,67,736
Power & Fuel	67,53,379	97,53,014
Repairs to :		
Plant & Machinery	8,77,068	12,88,494
Building & Roads	9,77,658	7,05,454
Others	2,53,684	1,11,547
ISI Marking Fee	14,17,477	18,35,257
Job Charges	200,34,995	195,27,308
	<b>730,36,502</b>	<b>904,88,810</b>
<b>SCHEDULE : 15 ADMINISTRATIVE EXPENSES</b>		
Rent	2,52,000	2,66,180
Rates & Taxes	1,44,525	91,931
Insurance	1,53,760	1,30,839
Travelling & Conveyance	24,97,527	17,97,919
( Including Directors Travelling Expenses Rs. 9,19,920/+ Directors Foreign Travelling Exp Rs. 433074/- (Previous year Rs. 10,26,533 & Foreign Travelling Nil))		
Miscellaneous Expenses	17,19,659	19,72,147
( Including for earlier year sales tax demand Rs. 3,41,229/- & Service Tax Rs. 1802/- (Previous yr. Rs. 3424/-))		
Expenses related to Securities Transactions	4,705	19,269
Postage, Telegram, Telephone & Fax	5,63,445	6,55,737
Printing & Stationery	2,37,830	3,81,508
Vehicle Running & Maintainance Expenses	4,77,225	3,84,436
Service Charges (Others)	9,08,383	8,84,863
Filing Fee	13,000	10,168
Legal & Professional Expenses	13,49,514	9,12,232
Adjustment Related to Previous Year	7,956	1,83,556
Charity & Donation	1,85,000	55,000
Loss on Share Trading (F & O)	10,67,729	-
Loss on Commodity Trading (F & O)	3,96,120	-
Provision for diminution in value of Investment	52,268	-
Loss on Sale of Fixed Assets	47,835	6,37,972
Payments to Auditors :		
- As Audit Fee	1,00,000	1,00,000
- Other Payments incld. Reimbursement of Expenses	1,16,649	54,790
	<b>102,95,130</b>	<b>85,38,547</b>

**RAJASTHAN CYLINDERS AND CONTAINERS LTD.**

	<b>Year Ended 31.03.2011 (Rs.)</b>	<b>Year Ended 31.03.2010 (Rs.)</b>
<b><u>SCHEDULE: 16 SELLING EXPENSES :</u></b>		
Advertisement & Publicity ( Net)	-	32,995
Freight,forwarding & transportation (Net)	27,15,203	21,23,975
Sales Promotion	1,60,925	1,30,639
	<b><u>28,76,128</u></b>	<b><u>22,87,609</u></b>
<b><u>SCHEDULE :17 FINANCIAL EXPENSES :</u></b>		
Interest :		
On Bank Borrowings	18,03,018	17,09,457
Others	79,16,985	45,23,285
	<b><u>97,20,003</u></b>	<b><u>62,32,742</u></b>
Less : Interest received (including interest on Fixed Deposit Rs.3,35,492/-,Previous Year Rs.335204/-)	11,69,497	9,09,936
	<b><u>85,50,506</u></b>	<b><u>53,22,806</u></b>
Bank Charges & Guarantee Commission (Net)	4,34,652	1,72,995
	<b><u>89,85,158</u></b>	<b><u>54,95,801</u></b>

**SCHEDULE 18: NOTES ON ACCOUNTS**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH,2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE).**

**1. ACCOUNTING POLICIES**

**(A)** The Company follows mercantile system of accounting except Leave Pay, LTA, and retirement benefits which are accounted for on cash basis and sales claims are accounted for as and when settled.

**(B) FIXED ASSETS**

Fixed Assets are stated at cost including addition in value due to revaluation (as mentioned in note No.19 below) less depreciation. Cost includes direct expenses and interest on borrowings attributable to acquisition of fixed assets up to the date of commissioning of the assets and allocation of project & pre operative expenses.

**(C) DEPRECIATION**

Depreciation has been charged during the year on straight-line method at specified rates and in the manner specified in schedule XIV to the Companies Act, 1956 as amended vide Notification No. GSR - 756 (E) dated 16th December 1993 issued by the Department of Company Affairs.

**(D) INVENTORY**

- a) Raw materials, Stores & Spares and work in process are valued at cost..
- b) Finished goods are valued at lower of cost or estimated net realizable value.
- c) Scrap is valued at estimated realizable value.

Cost is computed on weighted average basis. Finished goods and process stock include cost of conversion and other cost incurred in bringing the inventories to their present location and condition but excludes VAT/Excise Duty, which are subsequently recoverable from the taxing authorities.

**(E) REVENUE FROM SALE OF PRODUCT & SERVICES**

Revenues from sales of product is recognized when all significant risk and rewards of ownership of goods are transferred to customers and are net of sales tax and inclusive of Excise duty and net of rate differences.

**(F) EMPLOYEES BENEFITS**

- i) Contributions to provident and other funds made to the Government are charged off to the Profit & Loss Account.
- ii) Gratuity & Leave encashment is accounted for as and when paid.

**(G) INVESTMENTS**

Long term investments are stated at cost. Current investments are valued at lower of cost or fair market value.

#### **(H) EXCISE DUTY**

Excise duty is accounted for on the basis of payments made in respect of goods cleared and provision is made on closing stock of finished goods etc.

#### **(I) SEGMENT ACCOUNTING**

The accounting policies applicable to the reportable segments are the same as those used in the preparation of the financial statements.

Segment revenue and expenses include amounts, which are directly identifiable to the segment or allocable on a reasonable basis.

Segment assets include all operating assets used by the segment and consist primarily of debtors, inventories and fixed assets. Segment liabilities include all operating liabilities and consist primarily of deposit from customers, creditors etc.

#### **(J) TAXATION**

Income tax provision comprises current tax and Provision or reversal of deferred tax.

##### **Current Tax :**

Provision for current tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

##### **Deferred Taxes :**

The deferred tax asset and deferred tax liability are calculated by applying tax rates and tax laws that have been enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses / unabsorbed depreciation/other timing differences under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax liabilities on account of timing differences are recognized only at each balance sheet date. The carrying amount of deferred tax liabilities is reviewed at each Balance Sheet date.

#### **(K) IMPAIRMENT OF ASSETS**

An assets is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired.

#### **( L ) PROVISION, CONTINGENT LIABILITIES & CONTIGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **(M) EARNING PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity share outstanding during the period.

For purpose of calculating diluted earning per share net profit or loss for the period attributable to equity shareholder by the weighted average number equity share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2. CONTINGENT LIABILITIES, NOT PROVIDED FOR

a) Guarantees given by bankers on behalf of the company Rs.42,00,000/- (Previous year Rs. 51,00,000/-).

b) The matter of sales tax demand Rs. 3,61,257/- is pending at D.C.Appeal towards the deferment of Tax difference for the year 2006-07,2007-08 & 2008-09 as per regular assessment order passed by the Assessing Officer.

c) Guarantees given by the company to banks for Sanctioned Term loan & Cash Credit Limit to a subsidiary Company for Rs. 24.22 Crores ( Previous Year Rs.24.22 Crores). The Outstanding amount of Borrowings as on 31.03.2011 as per Bank Statement was Rs.13.82 Crores (Previous Year Rs 22.67 Crores) .

3. Estimated amount of contracts remaining to be executed on capital account, not provided for Rs.10,01,168 (Previous year Rs. NIL) advances paid Rs. 3,19,887/-(Previous year Rs. NIL)

4. Advances in current account include amounts due from officers of the Company Rs. NIL (Previous year Rs.Nil). Maximum amount due at any time during the year Rs.65,000/- (Previous year Rs. 6848/-).

5. Balance reconciliation from sundry debtors , creditors, advances, loans and deposits etc are done on regular basis and adjustments if any, made on reconciliation.

6. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in accounts for all the known liabilities.

7. Managerial Remuneration:

2010-11      2009-10

Remuneration to Managing Director	12,00,000/-	--
Remuneration to Jt, Managing Director	12,00,000/-	3,00,000/-
Bonus to Directors	25,000/-	11,555/-

8. (i) The Company has been granted eligibility certificate for deferment of sales tax by State Level Screening Committee, Jaipur under Sales Tax Incentive / Deferment scheme, 1998 under RST & CST Acts on sale of Valves & Regulators, during the year deferment availed Rs.17,42,308/- and repaid 20,31,204/- as the repayment has been started. The company has retained Sales Tax (RST/CST) Rs.1,53,03,124/- (Previous year Rs. 1,55,92,021/-) towards deferment of sales tax under Sales Tax Deferment Scheme 1998 on the basis of diversification of manufacture of Valves & Regulators.

(ii) The Company has been granted eligibility certificate for exemption of sales tax by State Level Screening Committee, Jaipur under Sales Tax Incentive / Deferment scheme, 1998 under RST & CST Acts on sale of LPG Cylinders. The company has availed Rs. 1,62,29,413/- upto 31<sup>st</sup> March,2011(Previous year Rs. 1,48,10,508/-) towards exemption of sales tax under Sales Tax Exemption Scheme 1998 on the basis of expansion of cylinder unit.

9. Miscellaneous expenses include Demand of sales tax Rs. 341229/- & Service Tax Rs. 1802/- in respect of earlier years, paid during the year. (Previous Year Rs. 3424/-).



10. On the basis of Actuarial Valuation, the accrued liability for gratuity has been worked out as under which has not been provided for.

a. Present value of obligation for gratuity as on 31.03.2011 Rs.8,19,779

b. Assumptions:

(i) Discount rate	8.25%
(ii) Salary Growth rate	5.00%
(iii) Withdrawal rate	2% p.a.(18 to 60 years)
(iv) Mortality	LIC 94-96 Ultimate
(v) Normal retirement age	60 years
(vi) Benefits	As per Gratuity Act

11. Liability for leave encashment outstanding as on 31.03.2011 Rs. 5,44,774/- has not been provided as the employees have yet to exercise their option for availment of leaves / encashment.

12. Company has sought details from suppliers as micro, small and medium enterprises. In absence of such information from the suppliers, the amount due to Micro and Small suppliers under the provision of "Micro, Small, Medium Enterprises developments (MSMED) Act 2006" as at 31<sup>st</sup> March 2011 could not be bifurcated separately and also interest due, if any, under the provision of said Act to such suppliers is not ascertainable."

13. Segment information about Primary Business Segment for the year ended 31st March, 2011.

	Cylinders	Valve & Regulators	LPG Gas	Total
<b>Revenue</b>				
External	25,77,15,467 (43,79,65,468)	14,18,17,294 (9,96,08,095)	17,44,194 (18,36,675)	40,12,76,955 (53,94,10,238)
Internal	- (-)	- (-)	- (-)	- (-)
Total Revenue	25,77,15,467 (43,79,65,468)	14,18,17,294 (9,96,08,095)	17,44,194 (18,36,675)	40,12,76,955 (53,94,10,238)
Segment-wise expenditure	24,89,37,840 (41,71,09,239)	12,87,03,068 (10,09,55,891)	7,63,597 (10,70,021)	37,84,04,505 (51,91,35,151)
<b>Result</b>				
Segment results	87,77,627 (2,08,56,229)	1,31,14,226 (-13,47,796)	9,80,597 (7,66,654)	2,28,72,450 (2,02,75,087)
Unallocated Expenditure	- (-)	- (-)	- (-)	28,79,630 (19,06,184)
Unallocated income (including income from shares & units)	- (-)	- (-)	- (-)	1,64,032 (23,63,441)
Operating Profit	- (-)	- (-)	- (-)	2,01,56,852 (2,07,32,344)
Interest & Bank Charges	- (-)	- (-)	- (-)	1,01,54,655 (64,05,737)
Interest Income	- (-)	- (-)	- (-)	11,69,497 (9,09,936)
Profit before Taxation	- (-)	- (-)	- (-)	1,11,71,694 (1,52,36,544)
Provision for Taxation	- (-)	- (-)	- (-)	33,70,485 (25,89,000)
Income Tax for earlier years	- (-)	- (-)	- (-)	1,20,339 (-2,36,110)
Deferred Tax Liability	-	-	-	-10,83,747

	(-)	(-)	(-)	(29,87,865)
Profit after Taxation	-	-	-	87,64,617
	(-)	(-)	(-)	(98,95,789)
<b>Other Information</b>				
Segment Assets	17,06,48,138 (13,31,33,855)	4,86,22,755 (3,54,66,674)	63,01,251 (67,75,603)	22,55,72,144 (17,53,76,132)
Unallocated Assets	- (-)	- (-)	- (-)	23,12,53,220 (18,32,24,768)
Total	- (-)	- (-)	- (-)	45,68,25,364 (35,86,00,900)
Segment Liabilities	2,96,67,947 (1,87,41,945)	1,78,52,093 (2,67,24,218)	62,61,705 (64,75,614)	5,37,81,745 (5,19,41,777)
Unallocated Liabilities	- (-)	- (-)	- (-)	14,56,81,980 (5,67,83,857)
Total				19,94,63,725 (10,87,25,634)

	Cylinders	Regulators	LPG Gas	Total
Capital Expenditure	13,87,681 (77,15,304)	39,03,182	29,200 (-)	53,20,063 (77,15,304)
Unallocated Capital expenditure	- (-)	- (-)	- (-)	- (-)
Total	13,87,681 (77,15,304)	39,03,182	29,200 (-)	53,20,063 (77,15,304)
<b>Depreciation</b>	28,90,404 (27,91,343)	15,11,496 (14,82,164)	3,43,986 (3,43,815)	47,45,886 (46,17,322)
Unallocated Depreciation	- (-)	- (-)	- (-)	6,10,606 (4,47,502)
Total	-	-	-	53,56,492 (50,64,824)
Non Cash Expenses other than depreciation	- (-)	- (-)	- (-)	- (-)

**Notes:**

I. The company is engaged into three main business segments:-

- a) Cylinders - Comprising of sale of Cylinders.
- b) Valves & Regulators- Comprising of sale of Valves and Regulators.
- c) LP Gas - Comprising of Sale of LP Gas/Job work for LPG Gas Filling.

Segments have been identified by the management in line with the Accounting Standards on segment reporting (As 17) taking into account the customers for the products and services and the differing risks and returns.

II. Segments revenue includes sale, income from services and scrap sales; sales are net of selling commission.

III. Segments revenue, results, assets and liabilities include the respective amounts identifiable to reportable segments and amounts allocated on a reasonable basis.

#### 14. Deferred Tax.

i) Deferred tax has been provided in accordance with “ Accounting standard 22-Accounting for taxes on income” issued by The Institute of Chartered Accountant of India. The net deferred tax liability amounting to Rs, (-)10,83,747/- ( Previous Year Rs. (29,87,865/-) has been adjusted in profit & loss account.

ii) Break up of net deferred tax liability.

Particulars	As at 31.03.2011		As at 31.03.2010	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
1) Difference between W.D.V. of depreciable Assets as per books of Account and Written down value for Tax purpose	-	90,82,125	-	1,01,05,343
2) Expenses allowable for Tax purpose on payment basis	1,90,547	-	1,30,018	-
Total	1,90,547	90,82,125	1,30,018	1,01,05,343
Net Deferred Tax Liability	88,91,578		99,75,325	
Net Incremental deferred Tax Liability charged to Profit & Loss Account	(10,83,747)		29,87,865	

#### 15. Disclosure of Related Party Transactions in accordance with the mandatory Accounting Standard As -18 “ Related Party Disclosure”

a) Key Management Personnel :

Sh. S.G.Bajoria,  
Sh. Avinash Bajoria

b) Relative of Key Managerial Personnel

Sh. Ashutosh Bajoria

c) Subsidiaries

Agribiotech Industries Limited,  
Shipra Towers Pvt. Ltd.

d) Associates

Beekay Niryat Ltd.,  
Rameshwar Properties Pvt. Ltd.,  
Cairo Niryat Pvt. Ltd.,  
Pikaso Holdings Pvt. Ltd.  
Mayawati Trading Co.  
Avinash properties Pvt. Ltd.  
Beetle Tie-Up Pvt. Ltd.  
Swagatam Procon (P) Ltd.  
Protect Vanijya Pvt. Ltd.  
Heaven Marketing Pvt. Ltd.

Transaction with above Parties (Gross Value of Items)

S. No.	Description	Key Managerial Personnel	Relatives of Key Managerial Personnel	Subsidiaries	Enterprise in which key managerial and their relatives have influence
1	Remuneration	24,25,000	-	-	-
2	Current Account				
	Total Debit	2,57,62,141	6,97,000	7,30,72,615	7,63,90,983
	Total Credit	2,57,62,141	6,97,000	7,08,47,465	6,97,89,257
	Total	5,39,49,282	13,94,000	14,39,20,080	14,61,80,240

16. Provision for taxation has been made in accounts on the basis of computation of Income as per provision of Income Tax Act 1961. Mat Tax paid u/s 115 JB of Income Tax Act 1961 in earlier years for which credit is allowed U/S 115 JAA amounting Rs. 11,68,730/- has been considered for adjustment against the current tax payable.

17. As per Accounting Standard 2 (revised) issued by the Institute of Chartered Accountants of India, inventories are valued at lower of cost or estimated net realizable value except stores & spares, raw material, stock in process and Trading Goods which are valued "at cost". Provision for excise duty has been made for closing stock lying in warehouse; this has no impact on profit of the company.

18. Fixed assets (except vehicle) of the company have been revalued as at 31st march 2002 by an independent external approved valuer on the basis of estimated market value. It had resulted in an increase of Rs.6,79,41,558/- in the gross block ; which had been credited to revaluation reserve account. Depreciation for the year Rs.12,78,245/- (Previous year Rs. 12,78,245/-) on the above increased value has been charged from revaluation reserve account.

19. Company's Land & Building has been mortgaged with Oriental Bank of Commerce, Ajmer Road, Jaipur, on First Charge basis for Term Loan of Rs.1722 Lacs and working capital limit of Rs.700 lacs sanctioned to M/S. Agribiotech Industries Limited, a subsidiary Company, the company has also given a Corporate Guarantee of Rs. 2422 Lacs to Oriental Bank of Commerce, Ajmer Road, Jaipur for the above borrowings. Outstanding as on 31.03.2011 is Rs. 13.22 Crore Only)

20. Figures for the previous year have been re-arranged / regrouped wherever considered necessary; figures have also been rounded off to the nearest rupee. Figures in brackets represent figures for previous year.

21. Additional information pursuant to provisions of paragraphs 3 & 4 of part II of Schedule VI of the Companies Act, 1956 wherever applicable:

a) Licensed and Installed capacity

		<u>This Year</u>	<u>Previous Year</u>
<b>Licensed Capacity*</b>		Not Applicable	Not Applicable
<b>Installed Capacity</b>	A)	350000 Cylinders per annum.	350000 Cylinders per annum
(As certified by the Management)	B)	15000 MT LP Gas Filling Per Annum	15000 MT LP Gas Filling Per Annum
	C)	900000 Gas Regulators per annum	900000 Gas Regulators per annum
	D)	2400000 Valves Per annum	1200000 Valves per annum

\* De-licensed as per Govt. of India notification No. S O 477 (E) dated 25.7.91

b) Quantitative Information in respect of goods manufactured, sold and stock :

Item	Unit	Production (Quantity)	Op.Stock (Quantity)	Cl.Stock (Quantity)	Sales (Quantity)	Sales Amount (Rs.)	Home Cons.
Cylinders	Nos	<b>*223926</b> (440674)	<b>152</b> (1799)	<b>344</b> (152)	<b>**223734</b> (442321)	<b>25,87,66,204</b> (44,22,14,458)	-
Valve	Nos	<b>1680381</b> (1147850)	<b>9000</b> (403)	<b>6700</b> (9000)	<b>1468052</b> (684203)	<b>12,62,85,288</b> (4,86,26,090)	<b>214629</b> (455050)
Regulators	Nos	<b>172303</b> (349350)	<b>1050</b> (10054)	<b>494</b> (1050)	<b>172859</b> (358354)	<b>1,16,37,392</b> (2,44,55,287)	-
Scrap Sales						<b>1,52,77,678</b> (2,22,77,727)	-

\* Excluding rejection / testing loss Cylinders 1993 (Previous year 3678 Cylinders)

\*\* Despatch quantity of Cylinders containing 2 Nos. Cylinders for Testing by TAT BPCL

C) Investments in Shares

	This Year		Previous Year	
	Quantity (Nos)	Rs.	Quantity (Nos)	Rs.
Opening Stock	<b>902360</b>	<b>55,18,033</b>	8,46,660	60,15,398
Purchase	<b>20,699</b>	<b>17,10,708</b>	71,550	15,76,335
Sales	<b>10,466</b>	<b>10,29,580</b>	15,850	43,79,931
Closing Stock	<b>9,12,593</b>	<b>62,34,533</b>	9,02,360	55,18,033
(Loss)/Gain & Changes in carrying amounts ( Net)		<b>35,372</b>		23,06,231

D) Raw Materials Consumed

(i) Cylinders Unit

	This Year		Previous Year	
	Quantity ( MT)	Rs.	Quantity ( MT)	Rs.
LPG Sheet/Coil	4,011.849	14,27,28,552	7,988.270	25,93,28,391
HR Sheet/Coil	384.901	1,39,32,379	509.555	1,72,78,424
Components		1,31,30,031		2,52,79,585

ii) V & R Unit

Brass Rod	308.309	8,88,46,938	225.192	5,41,59,015
Zinc Alloys	61.544	74,79,822	129.231	1,53,37,508

<b>Raw Material Consumed</b>	<b>26,61,17,722</b>	<b>37,13,82,923</b>
------------------------------	---------------------	---------------------

**E) Value of imported and Indigenous raw materials, stores & spares consumed:**

**i) Raw Material**

	This Year		Previous Year	
	Rs.	%	Rs.	%
Imported	-	-	-	-
Indigenous	26,61,17,722	100.00	37,13,82,923	100.00
	<b>26,61,17,722</b>	<b>100.00</b>	<b>37,13,82,923</b>	<b>100.00</b>

**ii) Stores & Spares**

Imported	4,55,890	1.07	---	---
Indigenous	4,22,66,351	98.93	5,72,67,736	100.00
	<b>4,27,22,241</b>	<b>100.00</b>	<b>5,72,67,736</b>	<b>100.00</b>

**22. Income from Investment Activities**

	This Year (Rs.)	Previous Year (Rs.)
Income From Sale of Shares Investments	87,640	23,06,231
Loss on Derivative Share (F&O) Business	(10,67,729)	
Loss on Speculative Commodity Business	(3,96,120)	
Provision for Diminution in Value in Investment	(52,268)	
Expenses Related to Investment Activities	(4,705)	
<b>Total</b>	<b>(14,33,182)</b>	<b>23,06,231</b>

**23. Expenditure in foreign currency :**

	This Year (Rs.)	Previous Year (Rs.)
Director's Foreign Travelling	2,37,275	NIL

**24. FOB Value of Exports:**

This Year (Rs.)	Previous Year (Rs.)
NIL	12,54,065

**25. CIF Value of Imports:**

This Year (Rs.)	Previous Year (Rs.)
4,01,037	NIL

26. Earning per share

	2010-11	2009-10
a) Net Profit after tax available for Equity Shareholder (RS)	87,64,617	98,95,789
b) Number of Equity Shares of Rs 10/- each.	22,41,063	22,41,063
c) Basic & Diluted earning per share ( Rs.)	3.91	4.42

27. Figures in brackets represent figures for previous year.

As per our Report of even date attached.

For S.S.SURANA & CO.,  
*CHARTERED ACCOUNTANTS,*

For & On Behalf of the Board

Sd/-

(R.N.GOYAL)  
PARTNER  
M. NO.70331

Sd/-

( Sree Gopal Bajoria )  
Chairman cum Managing Director

Sd/-

( Avinash Bajoria )  
Joint Managing Director

Place : Jaipur

Dated : 30 / 08 / 2011

**RAJASTHAN CYLONDERS & CONTAINERS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2011**

	<b>(RS.IN LACS.)</b>	
<b>A) <u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>	<b>2010-11</b>	<b>2009-10</b>
Net profit before tax and extra ordinary items.	111.72	152.37
Adjustments for		
Depreciation	53.56	50.65
Interest	97.20	62.33
Loss/ Profit on sale of fixed assets	0.48	6.13
Dividend income	(2.51)	(0.05)
Interest income	(11.69)	(9.10)
Income from Investment Activities	(0.88)	(23.06)
Loss from Commodity Transaction	3.96	-
Loss from Share Transaction (F&O)	10.68	
Prov. For demutation in Share Investment	0.52	
Expenses Related to Share/Commodity Trade	0.05	-
<b>Operating profit before working capital changes</b>	<b>263.09</b>	<b>239.27</b>
Adjustments for		
Trade and other Receivables	(683.03)	(30.75)
Inventories	(269.05)	(301.43)
Trade and other Payables	62.79	162.70
<b>Cash Generated from operations</b>	<b>(626.20)</b>	<b>69.79</b>
Interest paid	(97.20)	(62.33)
Taxes paid	(27.09)	(1.21)
<b>Cash Flow before extra ordinary items</b>	<b>(124.29)</b>	<b>(63.54)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(750.49)</b>	<b>6.25</b>
<b>B) <u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	(53.20)	(77.15)
Sale of Fixed Assets	0.20	15.90
Proceeds from sale of securities	10.30	43.80
Purchase of securities	(17.11)	(15.76)
Loss from Share Transaction (F & O)	(10.68)	
Loss from Commodity Trade	(3.96)	
Expenses on Share Investment	(0.05)	
Dividend received	2.51	0.05
Interest received	11.69	9.10
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(60.30)</b>	<b>(24.06)</b>

CONTD...



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2011 (Contd..)**

	(RS.IN LACS.)	
	2010-11	2009-10
<b>C) <u>CASH FLOW FROM FINANCING ACTIVITES</u></b>		
1) Proceeds from Bank borrowings	247.39	(191.17)
2) Proceeds from Unsecured Loans, Trade deposits etc.	551.76	14.02
3) Proceeds from vehicle Finance Liability	(6.21)	17.96
4) Proceeds from Other loans	54.67	(1.23)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>847.61</b>	<b>(160.42)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>36.82</b>	<b>(178.23)</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>48.74</b>	<b>226.97</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>85.56</b>	<b>48.74</b>

Note :

Cash Flow Statement has been prepared under the "Indirect Method " set out in Accounting Standard-3 "Cash Flow Statement" issued by The Institute of Chartered Accountants of India.

AS PER OUR REPORT OF EVEN DATE ATTACHED.

**For S.S.SURANA & CO.**

*Chartered Accountants*

Sd/-  
**(R.N. Goyal)**  
**Partner**  
**M. NO. 70331**

**PLACE : JAIPUR**  
**Date : 30/08/2011**

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
**( S.G. Bajoria )**  
**Chairman Cum Managing Director**

Sd/-  
**(Avinash Bajoria)**  
**Jt. Managing Director**

**Balance Sheet Abstract and General Business Profile:**

**I. Registration Details**

Registration No.: **2140** State Code: **17**

Balance Sheet date **31.03.2011**

**II. Capital Raised during the year (Amount in Thousands)**

Public Issue **Nil** Right Issue **Nil**

Bonus Issue **Nil** Private Placement **Nil**

**III. Position of Mobilisation & Deployment of Funds (Amount in Rs. Thousand)**

Total Liabilities **4,14,190** Total Assets **4,14,190**

**Sources of Funds:**

Paid up Capital **22,399** Reserve & Surpluses **2,34,962**

Secured Loans **62,709** Unsecured Loans **85,228**

Deferred Tax Liability **8,892**

**Application of funds:**

Net Fixed Assets **89,759** Investments **1,15,895**  
(Including revaluation)

Net Current Assets **2,08,536** Misc. Expenditure **NIL**

Accumulated Losses **NIL**

**IV. Performance of the Company (Amount in Rs. Thousands)**

Production Value & **3,94,979** Total Expenditure etc. **3,83,807**

Other income (Net) etc. **11,172** Profit After Tax **8,765**

Earning per Share in Rs.: **3.91** Dividend % **NIL**

**IV. Generic name of Principal products**

Product Description	LPG CYLINDERS	LPGAS	VALVE & REGULATORS
Item Codes (ITC Code)	7,311	2,901	8,481

Signatures to Schedule 1 to 18 annexed to and forming part of Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date.  
As per our Report of even date attached.

**For & On Behalf of the Board**

Sd/-  
**( Sree Gopal Bajoria )**  
Chairman cum Managing Director

Sd/-  
**( Avinash Bajoria )**  
Joint Managing Director

Place : Jaipur  
Dated : 30 /08 /2011

**S.S.SURANA & CO.**  
**CHARTERED ACCOUNTANTS**  
**C-94, Lal Kothi Scheme, Jaipur- 302003 Phone 2742995**

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**Auditor's Report**

To  
The Board of Directors  
Rajasthan Cylinders & Containers Limited  
Jaipur

**On the Consolidated financial statements of Rajasthan Cylinders & Containers Limited and its subsidiaries.**

1. We have examined the attached Consolidated Balance sheet of Rajasthan Cylinders & Containers Limited and its subsidiaries, as at 31<sup>st</sup> March 2011, the Consolidated Profit & loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial Statements are free of material misstatement. An audit 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. We did not audit the financial statement of one of subsidiary. These financial statements and other financial information's have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of their auditors.
4. We report that the consolidated financial statements have been prepared by the company's management in Accordance with the requirements of the Accounting Standard 21, Consolidated Financial Statements issued by The Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Rajasthan Cylinders & Containers Limited and its subsidiaries included in the consolidated financial statements.
5. On the basis of information and explanations given to us and on the separate audit reports on the individual Audited financial statements of Rajasthan Cylinders & Containers Limited and its subsidiaries, we are of the opinion that attached Consolidated Financial Statements read together with the notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the consolidated balance sheet, of the Consolidated state of affairs of the Company and its Subsidiaries as at 31.03.2011
  - (b) in the case of the consolidated profit & loss account, of the Consolidated Profit of the Company and its. Subsidiaries for the year ended on that date; and

(c) in the case of the consolidated Cash flow statement, of the Consolidated Cash flows of the Company and its Subsidiaries for the year ended on that date.

**For S.S.SURANA & CO.**

*Chartered Accountants*

(Registration No. )

**(R.N.Goyal)**

Partner

Membership No.

Place : Jaipur

Dated : 30/08/2011

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH,2011**

	SCHEDULE	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
<b><u>SOURCES OF FUNDS</u></b>			
SHARE CAPITAL	1	223,99,242	223,99,242
RESERVES & SURPLUS	2	2439,00,175	2356,29,344
MINORITY INTEREST		754,41,816	747,40,175
SECURED LOANS	3	2138,68,088	2724,42,167
UNSECURED LOANS & TRADE DEPOSITS	4	1465,20,621	411,48,243
DEFERRED TAX LIABILITY (Note No. 16 of Schedule 18)		181,88,590	169,88,202
	<b>Total</b>	<b>7203,18,532</b>	<b>6633,47,373</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b><u>FIXED ASSETS</u></b>			
Gross Block	5	6210,66,160	6146,26,857
Less: Accumulated Depreciation		2503,47,073	2009,09,231
Net Book Value		3707,19,087	4137,17,626
Capital Wok in Pogress		7,13,162	7,13,162
		3714,32,249	4144,30,788
INVESTMENTS	6	77,35,008	70,18,508
GOODWILL		26,89,405	26,89,405
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>	7		
Inventories		1660,62,658	1651,33,648
Sundry Debtors		1106,89,355	895,27,199
Cash and Bank Balances		105,20,418	77,93,819
Other Current Assets		2,77,107	4,39,088
Loans and Advnaces		1496,64,663	859,79,060
		4372,14,202	3488,72,815
CURRENT LIABILITIES & PROVISIONS	8	987,52,331	1096,64,142
NET CURRENT ASSETS		3384,61,871	2392,08,674
	<b>Total</b>	<b>7203,18,533</b>	<b>6633,47,375</b>
<b>Significant Accounting Polices and Notes on Accounts</b>	18		

AS PER OUR REPORT OF EVEN DATE ATTACHED.

*For S.S.SURANA & CO.*

*Chartered Accountants*

Sd/-  
(R.N. Goyal)  
Partner  
M. NO. 70331

Sd/-  
(Avinash Bajoria)  
Jt. Managing Director

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
( S.G. Bajoria )  
Chairman Cum Managing Director

PLACE : JAIPUR

Date : 30/08/2011

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH,2011**

SCHEDULE	Year Ended 31.03.2011 (Rs.)	Year Ended 31.03.2010 (Rs.)
<b><u>INCOME :</u></b>		
Turnover	13872,73,606	14505,44,085
Less : Excise Duty	695,53,056	1128,52,707
Net Turnover	13177,20,550	13376,91,378
Trading Sales	17,75,710	4,21,120
Income From Job Charges (Net)	17,44,194	18,36,675
Increase/Decrease in Stock	9 (99,79,538)	331,55,494
Other Income	10 11,67,241	35,38,384
Closing Stock (Trading Goods)	67,44,457	86,95,225
	<b>13191,72,614</b>	<b>13853,38,276</b>
<b><u>EXPENDITURE :</u></b>		
Opening Stock (Trading)	86,95,225	-
Raw Material Consumed	11 7415,33,738	8446,33,914
Trading Purchases	12 -	100,30,675
Payments to & Provisions for Employees	13 339,22,015	253,50,116
Manufacturing Expenses	14 3788,40,163	3645,23,650
Administrative Expenses	15 205,50,471	235,92,660
Selling Expenses	16 413,71,168	230,73,650
Financial Expenses	17 298,37,768	199,13,157
Depreciation	498,69,187	547,81,084
Less : Charged from Revaluation Reserve	(12,78,245)	(12,78,245)
	<b>13033,41,490</b>	<b>13646,20,661</b>
<b>PROFIT BEFORE TAX</b>	<b>158,31,125</b>	<b>207,17,615</b>
<b>PROVISION FOR TAXATION:-</b>		
Current Tax	42,59,206	34,37,000
Income Tax for Earlier Year	1,20,813	(2,42,496)
Deferred Tax	12,00,388	51,76,891
(Note No. 16 of Schedule 18)		
<b>PROFIT AFTER TAX</b>	<b>102,50,717</b>	<b>123,46,220</b>
Less : Transfer to Capital Redumption Reserve	<b>10,00,000</b>	20,00,000
	<b>92,50,717</b>	<b>103,46,220</b>
<b>Less: Minority Share in Profit</b>	2,30,940	2,13,339
<b>NET PROFIT CARRIED OVER TO BALANCE SHEET</b>	<b>90,19,777</b>	<b>101,32,881</b>
<b>EARNING PER SHARE</b>	<b>4.02</b>	<b>4.52</b>

(Note No. 27 of Schedule 18)

**Significant Accounting Polices and Notes on Accounts**

18

AS PER OUR REPORT OF EVEN DATE ATTACHED.

*For S.S.SURANA & CO.*

*Chartered Accountants*

Sd/-  
(R.N. Goyal)

Partner  
M. NO. 70331

PLACE : JAIPUR  
Date : 30/08/2011

Sd/-  
(Avinash Bajoria)  
Jt. Managing Director

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
( S.G. Bajoria )  
Chairman Cum Managing Director

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
<b>SCHEDULE : 1 SHARE CAPITAL</b>		
<b>AUTHORISED :</b>		
Equity Shares of Rs. 10/- each		
3000000 Equity Shares of Rs. 10/- each	300,00,000	300,00,000
<b>ISSUED/PAID-UP CAPITAL</b>		
2241063 Equity Shares of Rs. 10/- each fully paid	224,10,630	224,10,630
Less : Calls in arrears due from other than Directors.	11,388	11,388
	<u>223,99,242</u>	<u>223,99,242</u>
<b>SCHEDULE : 2 RESERVES &amp; SURPLUS</b>		
Revaluation Reserve	413,54,129	426,32,374
Profit & Loss account	1972,53,046	1882,33,270
Capital Redemption Reserve	52,93,000	47,63,700
	<u>2439,00,175</u>	<u>2356,29,344</u>
<b>SCHEDULE : 3 SECURED LOANS</b>		
<b>Working Capital Limits :</b>		
Central Bank of India	330,36,905	82,97,645
Oriental Bank of Commerce	341,04,596	782,96,431
<b>Term Loan</b>		
Central Bank of India	-	-
Oriental Bank of Commerce	1157,53,038	1596,90,662
<b>Deffered Credit</b>		
Vehicle Finance (Deffered Credit)	24,76,549	31,27,443
<b>Other Loans :</b>		
Loan from LIC Of India (on LIC Keyman Policy)	284,97,000	230,29,986
	<u>2138,68,088</u>	<u>2724,42,167</u>
<p>1. Borrowings from Central Bank of India by Holding Co. is secured by Stock &amp; Book Debt, First Charge on Plant &amp; Machinery , second charge on land &amp; building and guaranteed by personal guarantee of two directors &amp; corporate guarantor. .</p> <p>2. Loan from LIC by holding company is secured by way of pledgeof keyman Insurance policies of Company's executives and guaranteed by the concerned executives</p> <p>3. Term loan by subsidiary company is secured by way of motgage of title deed of that comany 's immovable properties and hypothecation of all movable properties (save and except book debts and inventories of raw material , WIP and finished goods).</p> <p>4. Working capital borrowings of subsidiary company is secured by way of hypothecation of stock of Raw Material , work in process, finished goods, stores &amp; spares and book debts and also by way of charge on that Company's movable and immovable assets.</p> <p>5. Term laon and working capital borrowings by subsidiary company are further secured by way of Mortgage by deposit of title deeds of land &amp; building of holding Company and Corporate guarantees and guaranteed by two directors.</p> <p>6. Deferred credit is Secured against the hypothecation of car financed and further Secured by personal guarantee of director.</p>		
<b>SCHEDULE : 4 UNSECURED LOANS &amp; TRADE DEPOSITS</b>		
<b>Interest Bearing</b>		
From Corporate Bodies	1250,15,685	136,24,125
<b>Non Interest Bearing</b>		
From Corporate Bodies	-	46,93,257
From Others	-	8,12,141
Customers & Dealers deposits	62,01,812	64,26,700
Deferement of Sales Tax ( Under Sales Tax Incentive / Deferment Scheme, 1998 )	153,03,124	155,92,020
<b>TOTAL</b>	<u>1465,20,621</u>	<u>411,48,243</u>

**RAJASTHAN CYLINDERS AND CONTAINERS LIMITED.**

**SCHEDULE : 5 CONSOLIDATED FIXED ASSETS FOR THE YEAR 2010-11**

( Amount in Rs.)

PARTICULARS	-----GROSS BLOCK-----				-----DEPRECIATION-----				-----NET BLOCK-----	
	AS AT 01.04.2010	ADDITIONS DURING THE YEAR	SALES/ ADJUSTMENTS	AS AT 31.03.2011	UP TO 01.04.2010	FOR THE YEAR	SALES/ ADJUSTMENT	TOTAL UPTO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
Leasehold Land	485,81,182	-	-	485,81,182	25,11,445	3,03,845	-	28,15,290	457,65,892	460,69,737
Building & Roads (including Tubewell)	1083,89,036	-	-	1083,89,036	255,07,809	74,04,164	-	329,11,973	754,77,063	828,81,227
Non Factory Building	142,45,107	-	-	142,45,107	14,39,143	6,40,299	-	20,79,442	121,65,665	128,05,964
Plant & Machinery	3843,81,911	55,08,925	-	3898,90,836	1389,33,360	359,69,415	-	1749,02,775	2149,88,061	2454,48,552
Electric Installation	188,56,756	-	-	188,56,756	67,50,964	18,21,837	-	85,72,801	102,83,955	121,05,792
Furniture & Fixtures	39,51,865	1,44,022	-	40,95,887	19,69,370	11,06,171	-	30,75,541	10,20,346	19,82,496
Office Equipments	25,90,984	2,45,656	-	28,36,640	9,01,542	2,21,614	-	11,23,156	17,13,484	16,89,443
Vehicles	134,11,298	9,19,480	4,99,180	138,31,598	45,50,297	20,61,868	4,31,345	61,80,820	76,50,778	88,61,001
Temporary Shed	8,311	-	-	8,311	8,311	-	-	8,311	-	-
Dies & Punches	19,27,863	-	-	19,27,863	15,31,451	41,231	-	15,72,682	3,55,181	3,96,412
Computers	34,30,516	1,20,400	-	35,50,916	27,21,347	2,43,188	-	29,64,535	5,86,381	7,09,169
LPG Cylinders & regulators	136,82,455	-	-	136,82,455	133,20,527	-	-	133,20,527	3,61,928	3,61,928
Weighing Bridge	9,46,306	-	-	9,46,306	6,69,901	44,950	-	7,14,851	2,31,455	2,76,405
Water & Air Supply	2,23,267	-	-	2,23,267	93,764	10,605	-	1,04,369	1,18,898	1,29,503
								-		
<b>Total</b>	<b>6146,26,857</b>	<b>69,38,483</b>	<b>4,99,180</b>	<b>6210,66,160</b>	<b>2009,09,231</b>	<b>498,69,187</b>	<b>4,31,345</b>	<b>2503,47,073</b>	<b>3707,19,087</b>	<b>4137,17,626</b>
Capital Work in Progress	713162			713162					713162	713162
<b>Grand Total</b>	<b>615340019</b>	<b>6938483</b>	<b>499180</b>	<b>621779322</b>	<b>200909231</b>	<b>49869187</b>	<b>431345</b>	<b>250347073</b>	<b>371432249</b>	<b>414430788</b>
<b>Previous Year Figures</b>	5957,28,842	272,78,074	76,66,897	6153,40,019	1513,96,206	547,81,084	52,68,058	2009,09,231	4144,30,788	4443,32,638



**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
<b>SCHEDULE :6 INVESTMENTS</b>		
<b>(A)INVESTMENT IN GOVT. SECURITIES</b>		
Indira Vikas Patra	4,000	4,000
National Saving Certificate	16,000	16,000
<b>Total A</b>	<u>20,000</u>	<u>20,000</u>
<b>INVESTMENT IN :</b>		
( Companies in the same group )		
i) Heaven Marketing Pvt Ltd 11500 Equity Shares of Rs 10/- each	57,500	57,500
ii) Beetel Tieup Pvt Ltd 3300 Equity Shares of Rs 10/- each	33,000	33,000
iii) Mayawati Trading Co. Pvt Ltd 9000 Equity Shares of Rs 10/- each	1,80,000	1,80,000
<b>Total B</b>	<u>2,70,500</u>	<u>2,70,500</u>
<b>INVESTMENT IN SHARES (TRADE INVESTMENT)</b>		
<b>Total C</b>	<u>62,34,533</u>	<u>55,18,033</u>
<b>INVESTMENT IN MUTUAL FUNDS</b>		
Units of Mutual Funds	12,09,975	12,09,975
<b>Total D</b>	<u>12,09,975</u>	<u>12,09,975</u>
<b>TOTAL INVESTMENT(A+B+C+D)</b>	<u><b>77,35,008</b></u>	<u><b>70,18,508</b></u>
<b>SCHEDULE :7 CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>A. CURRENT ASSETS :</b>		
<b>Inventories (as per taken , valued and certified by the management ):</b>		
Raw Materials	540,09,873	476,78,584
Work in Process	308,00,092	220,38,587
Finished Goods	397,27,748	592,94,828
Stores & Spares	302,23,143	236,95,116
Scrap	22,77,695	14,51,658
Stock of trading goods	90,24,107	109,74,875
	<u>1660,62,658</u>	<u>1651,33,648</u>
<b>Sundry Debtors</b>		
(Unsecured considered good unless otherwise stated )		
Outstanding for a period exceeding six months	39,01,703	29,32,923
Other Debts	1067,87,652	865,94,276
	1106,89,355	895,27,199
<b>Cash &amp; bank balances:</b>		
Cash in hand	5,44,535	6,22,265
<b>With Scheduled banks:</b>		
In Current Accounts	82,48,378	36,21,078
Fixed Deposit (Fixed deposits receipts have been pledged with bank as margin against Bank Gauarnatees )	17,27,505	35,50,476
	<u>105,20,418</u>	<u>77,93,819</u>
Other Current assets		
Interest Receivable	2,77,107	4,39,088
<b>Total (A)</b>	<u>2875,49,538</u>	<u>2628,93,754</u>

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
<b>B. LOANS &amp; ADVANCES :</b>		
( Unsecured Considered Goods )		
Loans		
To Corporate Bodies	727,62,835	196,20,000
To Others	-	41,47,834
Advances recoverable in cash or in kind or for value to be received or pending adjustments	292,02,963	460,05,271
Advance to suppliers	166,13,185	18,74,406
Property Advance	100,00,000	-
Income Tax Advance and Tax deducted at source	27,57,680	9,58,717
Prepaid Expenses	30,34,553	35,98,869
Security Deposits	152,93,447	97,73,963
<b>TOTAL (B)</b>	<b>1496,64,663</b>	<b>859,79,060</b>
<b>TOTAL (A+B)</b>	<b>4372,14,201</b>	<b>3488,72,814</b>
<b>SCHEDULE :8 CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES :</b>		
Sundry Creditors	830,55,532	974,11,812
Duties & Taxes Payable	5,81,740	22,04,012
Liabilities for Expenses	67,78,202	49,11,439
Advances from Customers/Security Deposit	26,55,491	12,11,161
Income Tax Deducted at source	14,22,160	4,88,718
<b>Total (A)</b>	<b>944,93,125</b>	<b>1062,27,142</b>
<b>PROVISIONS :</b>		
Provision for Taxation	42,59,206	34,37,000
<b>TOTAL (B)</b>	<b>42,59,206</b>	<b>34,37,000</b>
<b>Total (A+B) :</b>	<b>987,52,331</b>	<b>1096,64,142</b>
<b>SCHEDULE : 9 INCREASE/DECREASE IN STOCK CLOSING STOCK</b>		
Finished goods	420,05,443	612,13,187
Stock in process	308,00,092	215,71,886
	<b>728,05,535</b>	<b>827,85,073</b>
<b>Less : OPENING STOCK</b>		
Finished goods	607,46,486	369,95,510
Stock in process	220,38,587	126,34,069
	<b>827,85,073</b>	<b>496,29,579</b>
<b>NET INCREASE/DECREASE IN STOCK</b>	<b>(99,79,538)</b>	<b>331,55,494</b>
<b>SCHEDULE : 10 OTHER INCOME</b>		
Miscellaneous Receipts	7,23,623	3,09,412
Dividend on Units & Shares	2,51,450	5,284
Income from Investments Activities ( net)	1,92,168	23,06,231
Profit on Sale of Fixed Assets	-	24,700
Profit on transfer of rights in property	-	8,92,757
	<b>11,67,241</b>	<b>35,38,384</b>
<b>SCHEDULE : 11 RAW MATERIALS CONSUMED</b>		
Opening Stock	476,78,584	443,17,323
Add : Purchases (including expenses)	7478,65,027	8479,95,175
	7955,43,611	8923,12,498
Less : Closing Stock	540,09,873	476,78,584
	<b>7415,33,738</b>	<b>8446,33,914</b>
<b>SCHEDULE : 12 TRADING PURCHASES</b>		
Marble Purchases	-	87,93,265
Freight, Insurance & Other Expenses	-	12,37,410
	<b>-</b>	<b>100,30,675</b>

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

**SCHEDULE : 13 PAYMENTS TO AND PROVISIONS FOR EMPLOYEES**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
Salaries, Wages, Bonus & Other allowances etc.	305,44,372	232,76,434
Employers contribution to ESI & PF	12,61,059	9,63,981
Staff & Labour Welfare Expenses	21,16,584	11,09,701
	<u>339,22,015</u>	<u>253,50,116</u>

**OPERATION & OTHER EXPENSES**

**SCHEDULE : 14 MANUFACTURING EXPENSES :**

Stores & Spares Consumed	513,51,967	678,55,209
Packing Material Consumed	1244,20,243	980,84,949
Chemical Consumed	296,41,787	236,67,444
Carriage & cartage	3,03,324	13,66,919
Hologramme Fee	21,58,000	32,30,825
Bottling Charges	2,15,764	6,43,161
Power & Fuel	985,66,894	930,96,283
ISI Marking Fee	14,17,477	18,35,257
Bottling Fees	269,92,820	218,31,167
Job Charges	401,90,153	403,16,840
Tie-Up Manufacturing Expenses	-	88,87,965
Repairs to :		
Plant & Machinery	19,48,922	19,16,554
Building & Roads	13,20,948	13,16,530
Others	3,11,864	4,74,547
	<u>3788,40,163</u>	<u>3645,23,650</u>

**SCHEDULE : 15 ADMINISTRATIVE EXPENSES :**

Rent	5,08,500	5,73,182
Rates & Taxes	27,31,022	27,26,583
Insurance	5,27,152	5,15,729
Travelling & Conveyance	47,05,217	60,16,549
Miscellaneous Expenses	25,79,877	39,17,819
Expenses related to Securities Transactions	11,213	19,269
Postage, Telegram, Telephone & Fax	8,52,089	9,36,297
Printing & Stationery	5,03,521	7,36,785
Filing Fee	18,400	17,182
Service Charges Others	9,17,249	12,63,839
Vehicles Expenses	17,78,750	17,70,998
Legal & Professional Expenses	30,77,497	30,55,415
Charity & Donation	2,16,000	9,00,800
Provision for Diminution in value of Current Investments	52,268	-
Loss on Commodity Trading (F & O)	5,70,899	-
Loss on Share Trading (F & O)	10,67,729	-
Loss on Sale of Fixed Assets	47,835	7,83,433
Payment to Auditors	3,85,253	3,58,780
	<u>205,50,471</u>	<u>235,92,660</u>

**SCHEDULE : 16 SELLING EXPENSES :**

Advertisement & Publicity ( Net)	-	32,995
Freight, forwarding & transportation (Net)	238,44,715	141,10,461
Sales Promotion	3,85,286	6,72,645
Commission on sales	133,32,912	56,53,642
Transit Insurance	14,68,589	11,83,442
Rebate & Discount	21,94,166	7,01,383
Other Selling Expenses	1,45,500	7,19,082
	<u>413,71,168</u>	<u>230,73,650</u>

**SCHEDULE : 17 FINANCIAL EXPENSES :**

Interest :		
On Term Loan	114,89,706	65,95,806
On Bank Borrowings	67,71,222	70,68,107
Others	120,57,601	55,69,052
	<u>303,18,529</u>	<u>192,32,965</u>
Less : Interest received	17,09,593	12,40,409
	<u>286,08,936</u>	<u>179,92,556</u>
Bank Charges & Guarantee Commission (Net)	12,28,832	19,20,601
	<u>298,37,768</u>	<u>199,13,157</u>

## **SCHEDULE 18 : CONSOLIDATED NOTES ON ACCOUNTS**

**31st Annual Report (2010-11)**

**Rajasthan Cylinders & Containers Limited**

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH,2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE).**

#### **1. BACKGROUND**

- A) Rajasthan Cylinders & Containers engaged in Production of LPG Cylinders, Valves, Regulators & LPG Bottling.
- b) Agribiotech Industries Limited engaged in Production of Extra Neutral Alcohol, Rectified Spirit, Country Liquor & Indian Made Foreign Liquor (IMFL).
- c) Shipra Towers Pvt. Limited engaged in to deal in immovable Properties such as Land & Buildings.

#### **(2) ACCOUNTING POLICIES**

##### **(A) Basis of Accounting : -**

- i) The consolidated financial statements of the Company are prepared under the historical cost convention and in accordance with applicable accounting standards except where otherwise stated. For recognition of income and expenditure, accrual basis of accounting is followed except Leave Pay, LTA and retirement benefits which are accounted for on payment/ receipt basis as and when settled.

##### **ii) Principle of Consolidation:-**

The Consolidated Financial statement of the group have been prepared on the following basis.

- a) The Consolidated financial statements of the group are prepared in accordance with Accounting Standard-21 "Consolidated Finance Statements" issued by ICAI.
- b) The Finance statements of the Company and its subsidiary Company have Been consolidated on a line by line basis adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances.
- c) The Consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar Circumstances and are presented to the extent possible, in the same manner as the Company's
- d) The excess of cost of investment in the subsidiary Company over the net

assets at the time of acquisition of shares in the subsidiary is recognized in the Financial Statement as goodwill.

- e) Minority interest in the consolidated financial statements is identified and recognized after taking into consideration:
- The amount of Equity attributable to the minorities at the date on which investment in subsidiary is made.
  - The amount of Investment in preference shares attributable to minority at the date on which investment in subsidiary is made.
  - Adjustment of Profits/Losses attributable to minorities against the minority interest in the equity of the subsidiaries.

f) Subsidiaries Companies Included in Consolidation

<b>Name of subsidiary</b>	<b>Proportion of Owership(%)</b>
Agri Biotech Industries Limited	52.93%
Shipra Tower Private Limited	99.80%

**(B) FIXED ASSETS**

Fixed Assets of holding Co. are stated at cost including addition in value due to revaluation (as mentioned in note No.20 below) less depreciation. Cost includes direct expenses and interest on borrowings attributable to acquisition of fixed assets up to the date of commissioning of the assets and allocation of project & pre operative expenses.

**(C) DEPRECIATION**

Depreciation has been charged during the year on straight-line method at the revised rates and in the manner specified in schedule XIV to the Companies Act, 1956 as amended vide Notification No. GSR - 756 (E) dated 16th December 1993 issued by the Department of Company Affairs. Assets costing less than Rs. 5000/- acquired prior to 1.4.93 have been depreciated at old rates whereas depreciation on assets has been calculated pro-rata at the rates specified in note no. 4 of schedule XIV of Companies Act 1956 read with Guidance Note of Research committee of the Institute of Chartered Accountants of India published in August 1994 issue of "The Chartered Accountant".

In case of its Subsidiary Company (Agritbiotech Industries ltd.), The Depreciation on fixed assets has been provided on Written Down Method basis at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

**(D) INVENTORY**

Inventories of Raw Material, Stores & Spares and WIP are valued at cost only. The cost is computed on weighted average basis in case of Holding Company and on FIFO basis in case of its Subsidiary Companies . The finished goods inventory is valued at lower of cost or estimated net realizable value. WIP is valued at material cost and cost of conversion appropriate to their location and Scarps are valued at estimated realizable value.

## **(E) REVENUE FROM SALE OF PRODUCT & SERVICES**

- i) Revenues from sales of product is recognized when all significant risk and rewards of Ownership of goods are transferred to customers and are net of sales tax and inclusive of Excise duty and net of rate differences.

## **(F) EMPLOYEES BENEFITS**

- i) Contributions to provident and other funds made to the Government are charge to the Profit & Loss Account.
- ii) Gratuity & Leave encashment is accounted for as and when paid.

## **(G) INVESTMENTS**

Long term investments are stated at cost. Current investments are valued at lower of cost or fair market value.

## **(H) EXCISE DUTY**

Excise duty is accounted for on the basis of payments made in respect of goods cleared and provision is made on closing stock of finished goods etc.

## **(I) SEGMENT ACCOUNTING**

The accounting policies applicable to the reportable segments are the same as those used in the preparation of the financial statements.

Segment revenue and expenses include amounts, which are directly identifiable to the segment or allocable on a reasonable basis.

Segment assets include all operating assets used by the segment and consist primarily of debtors, inventories and fixed assets. Segment liabilities include all operating liabilities and consist primarily of deposit from customers, creditors etc.

## **(J) TAXATION**

Income tax provision comprises current tax and deferred tax charge or credit.

### **Current Tax :**

Provision for current tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

### **Differed Taxes:**

The deferred tax asset and deferred tax liability are calculated by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses / unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date, the carrying amount of deferred tax assets is reviewed to reassure realization.

## **(K) IMPAIRMENT OF ASSETS**

An assets is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired.

## **( L ) PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

## **( M ) EARNING PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity share outstanding during the period.

For purpose of calculating diluted earning per share net profit or loss for the period attributable to equity shareholder by the weighted average number equity share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **NOTES ON ACCOUNTS**

### **1. CONTINGENT LIABILITIES, NOT PROVIDED FOR**

	<b>2010-11</b>	<b>2009-10</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
i) Disputed Transportation fee on Internal Consumption of Alcohol for Bottling under Appeals	2,26,34,396	1,34,30,226
ii) Disputed Sales Tax matters under appeals	42,24,233	1,25,13,241
-		
iii) Guarantees given by Bankers of holding Co.	42,00,000	51,00,000
<b>2.</b> Estimated amount of Contracts remaining to be executed on capital account and provided for (net of advances)	6,81,281	-----
<b>3.</b> As per technical opinion, the distillery plant is a "Continuous Processing Plant". Accordingly the depreciation has been charged considering the plant as "Continuous Processing Plant" at the rates specified under Schedule XIV of the Companies Act,1956.		
<b>4.</b> Balance reconciliation from sundry debtors , creditors, advances, loans and deposits etc are done on regular basis and adjustments if any, made on reconciliation.		
<b>5.</b> In the opinion of the Board and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in accounts for all the known liabilities.		
<b>6.</b> In case of its Subsidiary Company (Agritbiotech Industries Ltd.),The Rajasthan State Excise Department has raised the demand of Rs. 1,14,24,000 and Rs. 6,85,44,000 vide their demand letter Nos Excise/Sprit/10/5758 and Excise/Sprit/10/5778 dated 22.12.2010 and 23.12.2010 respectively on account of non verification of some of Export permits (interstate sales) by the issuing Excise Authority of importing States. The matter is sub-judice. Company has made the payment of Rs. 3,14,24,000/- till 31.03.2011 to the State Excise		

authority. The payment to/from government authorities is being accounted for as expenses/income in respective years on payment / refund basis.

7. Consumption of Raw Materials, stores, chemicals packing material etc have been taken on the basis of opening stock plus purchases less closing stock.
8. In Agribiotech Industries Ltd., 9% Non Cumulative Redeemable optionally convertible Preference Shares are redeemable at 15% premium at the end of 10 year from the date of issue. They are optionally convertible after three years from the date of allotment. During the year Rs. 10,00,000/- ( Previous year Rs.20,00,000/-) has been transferred to the Capital Redemption reserve account.
9. i) The Holding Company has been granted eligibility certificate for deferment of sales tax by State Level Screening Committee, Jaipur under Sales Tax Incentive / Deferment scheme, 1998 under RST & CST Acts on sale of Valves & Regulators, during the year deferment availed Rs.17,42,308/- and repaid 20,31,204/- as the repayment has been started. The company has retained Sales Tax (RST/CST) Rs.1,53,03,124/- (Previous year Rs. 1,55,92,021/-) towards deferment of sales tax under Sales Tax Deferment Scheme 1998 on the basis of diversification of manufacture of Valves & Regulators.
- ii) The Holding Company has been granted eligibility certificate for exemption of sales tax by State Level Screening Committee, Jaipur under Sales Tax Incentive / Deferment scheme,1998 under RST & CST Acts on sale of LPG Cylinders. The company has availed Rs. 1,62,29,413/-upto 31<sup>st</sup> March,2011(Previous year Rs. 1,48,10,508/-) towards exemption of sales tax under Sales Tax Exemption Scheme 1998 on the basis of expansion of cylinder unit.
- iii) In case of its Subsidiary Company (Agritbiotech Industries Ltd.),Under Rajasthan Investment Promotion Scheme 2003 the office of the Commissioner Industries Rajasthan vide their letter dated 01.07.2009 has sanctioned Interest Subsidy @ 5% and Wage and Employment Subsidy @ 25% w.e.f 17.03.2008 for a period of seven years. Accordingly, the interest subsidy Rs.67,21,449/- & Wage Subsidy Rs. 9,98,270/-has been account for during the current Financial Year. Total Subsidy availed & account for upto 31.03.2011 as interest subsidy Rs. 2,34,74,479/- & Wages Subsidy Rs. 13,34,170/-.
10. On the basis of Actuarial Valuation the accrued liability for gratuity has been worked out as under which has not been provided for.
- a. Present value of obligation for gratuity as on 31.03.2011
- |                       |              |
|-----------------------|--------------|
| Holding Co.           | Rs.8,19,779  |
| Subsidiary Co. (Abil) | Rs. 6,45,510 |
- b. Assumptions:
- |                           |                         |
|---------------------------|-------------------------|
| (i) Discount rate         | 8.25%                   |
| (ii) Salary Growth rate   | 5.00%                   |
| (iii) Withdrawal rate     | 2% p.a.(18 to 60 years) |
| (iv) Mortality            | LIC 94-96 Ultimate      |
| (v) Normal retirement age | 60 years                |
| (vi) Benefits             | As per Gratuity Act     |



11. Liability for leave encashment outstanding as on 31.03.2011 Rs 5,44,774/-for holding co. & Rs. 4,82,784/-for Subsidiary Co. (Abil) has not been provided as the employees have yet to exercise their option for availment of leaves / encashment.

12. The Group Company has sought details from suppliers as micro, small and medium enterprises. In absence of such information from the suppliers, the amount due to Micro and Small suppliers under the provision of "Micro, Small, Medium Enterprises developments (MSMED) Act 2006" as at 31<sup>st</sup> March 2011 could not be bifurcated separately and also interest due, if any, under the provision of said Act to such suppliers is not ascertainable."

13. Managerial Remuneration: 2010-11      2009-10  
Rs.                      Rs.

Remuneration to Managing Director	12,00,000/-	3,00,000/-	--
Remuneration to Jt, Managing Director	24,00,000/-	6,00,000/-	
Bonus to Directors	75,000/-	34,665/-	

14. Break up of Auditor's Remuneration

	<u>2010-11</u> Rs.	<u>2009-2010</u> Rs.
Statutory Audit Fees	2,01,100	2,01,100
Payment in other Capacity :	1,84,153	1,57,680
	-----	-----
	3,85,253	3,58,780
	-----	-----

15. Segment information about Primary Business Segment for the year ended 31st March, 2011.

	Cylinders	Valve & Regulators	LPG Gas	Alcohol Products	Shipra Tower	Total
<b>Revenue</b>						
External	25,77,15,467 (43,79,65,468)	14,18,17,294 (9,96,08,095)	17,44,194 (18,36,675)	92,41,93,214 (93,03,20,064)	0.00	132,54,70,169 (146,97,30,302)
Internal	- (-)	- (-)	- (-)	-		- (-)
Total Revenue	25,77,15,467 (43,79,65,468)	14,18,17,294 (9,96,08,095)	17,44,194 (18,36,675)	92,41,93,214 (93,03,20,064)	0.00	132,54,70,169 (146,97,30,302)
Segment-wise expenditure	24,89,37,840 (41,71,09,239)	12,87,03,068 (10,09,55,891)	7,63,597 (10,70,021)	89,86,78,654 (89,36,67,508)	2520 (1100)	127,70,85,679 (141,28,03,759)
<b>Result</b>						
Segment re-sults	87,77,627 (2,08,56,229)	1,31,14,225 (-13,47,796)	9,80,597 (7,66,654)	2,55,14,560 (3,66,52,556)	-2520 (-1100)	4,83,84,489 (5,69,26,544)
Unallocated Expenditure						28,79,630 (19,06,184)
Unallocated income (including income from shares & units)						1,64,032 (23,63,441)
Operating Profit						4,56,68,891 (5,73,83,802)
Interest & Bank Charges						3,15,47,360 (3,79,06,596)
Interest In-						17,09,593

Profit before Taxation							(12,40,409)
Provision for Taxation							1,58,31,124 (2,07,17,615)
Income Tax for earlier years							42,59,206 (34,37,000)
Deferred Tax Liability							1,20,813 (-2,42,496)
Profit after Taxation							12,00,388 (51,76,891)
<b>Other Information</b>							1,02,50,717 (1,23,46,220)
Segment Assets	17,06,48,138 (13,31,33,855)	4,86,22,755 (3,54,66,674)	63,01,251 (67,75,603)	46,77,66,778 (53,17,08,445)	22,80,682 (22,82,712)		69,56,19,604 (70,93,67,289)
Unallocated Assets	- (-)	- (-)	- (-)	- (-)	- (-)		12,07,61,850 (6,09,54,818)
Total	- (-)	- (-)	- (-)	- (-)	- (-)		81,63,81,454 (77,03,22,107)
Segment Liabilities	2,96,67,947 (1,87,41,945)	1,78,52,093 (2,67,24,218)	62,61,705 (64,75,614)	27,78,55,309 (33,15,07,625)	10,595 (9495)		33,16,47,649 (38,34,58,897)
Unallocated Liabilities	- (-)	- (-)	- (-)	- (-)	- (-)		14,56,81,980 (5,67,83,857)
Total							47,73,29,629 (44,02,42,754)

	Cylinders	Regulators	LPG Gas	Alcohol Product	Shipra Tower	Total
Capital Expenditure	13,87,681 (77,15,304)	39,03,182 (-)	29,200 (-)	16,18,420 (1,95,62,770)	- (-)	69,38,483 (2,72,78,074)
Unallocated Capital expenditure	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total	13,87,681 (77,15,304)	39,03,182 (-)	29,200 (-)	16,18,420 (1,95,62,770)	- (-)	69,38,483 (2,72,78,074)
<b>Depreciation</b>	28,90,404 (27,91,343)	15,11,496 (14,82,164)	3,43,986 (3,43,815)	4,32,34,450 (4,84,38,015)	- (-)	4,79,80,336 (5,30,55,337)
Unallocated Depreciation	- (-)	- (-)	- (-)	- (-)	- (-)	6,10,606 (4,47,502)
Total	- (-)	- (-)	- (-)	- (-)	- (-)	4,85,90,942 (5,35,02,839)
Non Cash Expenses other than	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

**Notes:**

I. The holding company is organized into three main business segments:-

- Cylinders - Comprising of sale of Cylinders.
- Valves & Regulators- Comprising of sale of Valves and Regulators.
- LP Gas – Comprising of Sale of LP Gas.

II. Subsidiaries Companies :

Agribiotech Industries Limited engaged in Production of Extra Neutral Alcohol, Rectified Spirit, Country Liquor & Indian Made Foreign Liquor(IMFL).

Shipra Towers Pvt. Limited engaged in to deal in immovable Properties such as Land & Buildings

Segments have been identified and reported taking into account the customers for the products and services and the differing risks and returns.

III. Segments revenue includes sale, income from services and scrap sales.

IV. Segments revenue, results, assets and liabilities include the respective amounts identifiable to reportable segments and amounts allocated on a reasonable basis.

#### 16. Deferred Tax.

i) Deferred tax has been provided in accordance with "Accounting standard 22-Accounting for taxes on income" issued by The Institute of Chartered Accountant of India. The net deferred tax liability amounting to Rs, 12,00,388/- ( Previous Year Rs.51,76,891/- )has been adjusted in profit & loss account.

ii) Break up of net deferred tax liability.

Particulars	As at 31.03.2011		As at 31.03.2010	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
1) Difference between W.D.V. of depreciable Assets as per books of Account and Written down value for Tax purpose	-	2,86,04,704	-	3,21,10,005
2) Expenses allowable for Tax purpose on payment basis	1,90,547	-	1,30,018	-
3) Carry forward of Unabsorbed Losses	1,02,25,567	-	1,49,91,785	-
<b>Total</b>	<b>1,04,16,114</b>	<b>2,86,04,704</b>	<b>1,51,21,803</b>	<b>3,21,10,005</b>
<b>Net Deferred Tax Liability</b>	<b>1,81,88,590</b>		<b>1,69,88,202</b>	
<b>Net Incremental deferred Tax Liability charged to Profit &amp; Loss Account</b>	<b>12,00,388</b>		<b>51,76,891</b>	

#### 17. Disclosure of Related Party Transactions in accordance with the mandatory Accounting Standard As -18 "Related Party Disclosure"

a) Key Management Personnel :

Sh. S.G.Bajoria,  
Sh. Avinash Bajoria  
Sh. Ashutosh Bajoria

b) Relative of Key Managerial Personnel

Smt. Madhuri Devi Bajoria

c) Associates

Beekay Niryat Ltd.,  
Rameshwar Properties Pvt. Ltd.,  
Cairo Niryat Pvt. Ltd.,  
Pikaso Holdings Pvt. Ltd.  
Mayawati Trading Co.  
Avinash properties Pvt. Ltd.  
Bajoria Farms (P) Ltd.  
Beetle Tie-Up Pvt. Ltd.  
Swagatam Procon (P) Ltd.  
Protect Vanijya Pvt. Ltd.  
Heaven Marketing Pvt. Ltd.

Transaction with above Parties (Gross Value of Items)

S. No.	Description	Key Managerial Personnel	Relatives of Key Managerial Personnel	Enterprise in which key managerial and their relatives have influence
1	Remuneration	36,75,000	8,09,681	-
2	Current Account			
	Total Debit	5,83,87,141	--	10,47,45,983
	Total Credit	6,10,57,141		10,17,74,257
	Total	12,31,19,282	8,09,681	20,65,20,240

**18.** In Case of Holding Co. , Provision for taxation has been made in accounts on the basis of computation of Income as per provision of Income Tax Act 1961 . Mat Tax paid u/s 115 JB of Income Tax Act 1961 in earlier years for which credit is allowed U/S 115 JAA amounting Rs. 11,68,730/- has been considered for adjustment against the current tax payable.

In Case of Subsidiary Co., Provision for taxation has been made in accounts on the basis of books profit u/s 115JB of Income Tax Act 1961 as there is no tax liability on the basis of regular assessment provisions due to brought forward loss/depreciation and other deductions as per applicable provisions of Income Tax Act.

**19.** As per Accounting Standard 2 (revised) issued by the Institute of Chartered Accountants of India, inventories are valued at lower of cost or estimated net realisable value except stores & spares, raw material, stock in process and Trading Goods which are valued "at cost". Provision for excise duty has been made for closing stock lying in warehouse; this has no impact on profit of the company.

**20.** Fixed assets (except vehicle) of the holding company have been revalued as at 31st march 2002 by an independent external approved valuer on the basis of estimated market value. It had resulted in an increase of Rs.6,79,41,558/- in the gross block ; which had been credited to revaluation reserve account. Depreciation for the year Rs.12,78,245/- (Previous year Rs. 12,78,245/-) on the above increased value has been charged from revaluation reserve account.

**21.** Figures for the previous year have been re-arranged / regrouped wherever considered necessary; figures have also been rounded off to the nearest rupee. Figures in brackets represent figures for previous year.

**22.** Additional information pursuant to provisions of paragraphs 3 & 4 of part II of Schedule VI of the Companies Act, 1956 wherever applicable:

**a) Licensed and Installed capacity**

**i) For Holding Company**

		<u><b>This Year</b></u>	<u><b>Previous Year</b></u>
<b>Licensed Capacity*</b>		Not Applicable	Not Applicable
<b>Installed Capacity</b>	A)	350000 Cylinders per annum.	350000 Cylinders per annum
(As certified by the Management)	B)	15000 MT LP Gas Filling Per Annum	15000 MT LP Gas Filling Per Annum
	C)	900000 Gas Regulators per annum	900000 Gas Regulators per annum
	D)	2400000 Valves Per annum	1200000 Valves per annum

\* De-licensed as per Govt. of India notification No. S O 477 (E) dated 25.7.91

**ii) For Subsidiary Company i.e. Agribiotech Industries Ltd.**

Item	Unit	Licensed	Installed
Ethyl Alcohol	KL	NA	19,500
Based on 300 working days			

**b) Quantitative Information in respect of goods manufactured, sold and stock of Holding Co.:**

Item	Unit	Production (Quantity)	Op.Stock (Quantity)	Cl.Stock (Quantity)	Sales (Quantity)	Sales Amount (Rs.)	Home Cons. (Quantity)
Cylinders	Nos.	<b>*223926</b> (440674)	<b>152</b> (1799)	<b>344</b> (152)	<b>**223734</b> (442321)	<b>25,87,66,204</b> (44,22,14,458)	-
Valve	Nos.	<b>1680381</b> (1147850)	<b>9000</b> (403)	<b>6700</b> (9000)	<b>1468052</b> (684203)	<b>12,62,85,288</b> (4,86,26,090)	<b>214629</b> (455050)
Regulators	Nos.	<b>172303</b> (349350)	<b>1050</b> (10054)	<b>494</b> (1050)	<b>172859</b> (358354)	<b>1,16,37,392</b> (2,44,55,287)	-
Scrap Sales						<b>1,52,77,678</b> (2,22,77,727)	-

\* Excluding rejection / testing loss Cylinders 1993 (Previous year 3678 Cylinders)  
\*\* Despatch quantity of Cylinders containing 2 Nos. Cylinders for Testing by TAT BPCL

**C) Quantitative Information in respect of goods manufactured, sold and stock of Subsidiary Company i.e. Agribiotech Industries Ltd:**

Item	Unit	Production	Opening Stock		Closing Stock		Sales		Transfer/ Home Con- sumption / Wastages
		Quantity	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.
ENA	BL	<b>13304914</b> (12976073)	<b>1260756</b> (866581)	<b>4188053</b> (26252610)	<b>861812</b> (1260756)	<b>28031396</b> (41880053)	<b>13703858</b> (12339500)	<b>487493000</b> (436601500)	- (242398)
Rectified Spirit	BL	<b>6538445</b> (5955874)	<b>256935</b> (216090)	<b>8108166</b> (6219029)	<b>131840</b> (256935)	<b>4073830</b> (8108166)	<b>2663455</b> (2735000)	<b>94070160</b> (93699000)	<b>400085</b> (3180029)
Country Liquor	Cases	<b>1296501</b> (988647)	<b>29897</b> -	- -	<b>25456</b> (29897)	<b>6095969</b> (71,13,197)	<b>1300942</b> (958750)	<b>355980721</b> (25,32,69,863)	- (-)
IMFL	Cases	- (62771)	- (251)	- (99449)	- (-)	- (-)	- (63022)	- (10,38,42,146)	- (-)
Spent Grain	MT	<b>29873</b> (26411)	- (-)	- (-)	- (-)	- (-)	<b>29873</b> (26411)	<b>23541255</b> (1,51,09,381)	- (-)
Fusel Oil	Ltrs	<b>51773</b> (51,711)	- (-)	- (-)	12070 (-)	217260 (-)	<b>39703</b> (51,711)	<b>696483</b> (6,78,576)	- (-)
CO2 Gas	Kgs	<b>6876</b> (5792)	- (-)	- (-)	- (-)	- (-)	<b>6876</b> (5792)	<b>62,78,193</b> (44,07,492)	- (-)
Misc. Sales		-	-	-	-	-	-	<b>7247232</b> (53,62,565)	- (-)

**d) Raw Materials Consumed**

**(i) Cylinders Unit**

	This Year		Previous Year	
	Quantity ( MT)	Rs.	Quantity ( MT)	Rs.
LPG Sheet/Coil	4,011.849	14,27,28,552	7,988.270	25,93,28,391
HR Sheet/Coil	384.901	1,39,32,379	509.555	1,72,78,424
Components		1,31,30,031		2,52,79,585

**ii) V & R Unit**

Brass Rod	308.309	8,88,46,938	225.192	5,41,59,015
Zinc Alloys	61.544	74,79,822	129.231	1,53,37,508

**iii) Alcohol Unit**

Grains (MT.)	50,705	47,54,16,016	47,613	47,26,90,445
Malt (Ltrs)			3,575	5,60,546
<b>Raw Material Consumed</b>		<b>74,15,33,738</b>		<b>84,46,33,914</b>

**e) Value of imported and Indigenous raw materials, stores & spares consumed:**

**i) Raw Material**

	This Year		Previous Year	
	Rs.	%	Rs.	%
Imported	-	-	-	-
Indigenous	74,15,33,738	100.00	84,46,33,914	100.00
	74,15,33,738	100.00	84,46,33,914	100.00

**ii) Stores & Spares**

Imported	5,68,663	1.11	---	---
Indigenous	5,07,83,304	98.89	6,78,55,209	100.00
	<b>5,13,51,967</b>	<b>100.00</b>	<b>6,78,55,209</b>	<b>100.00</b>

**23. Income from Investment Activities**

	This Year (Rs.)	Previous Year (Rs.)
Income From Sale of Shares Investments	1,92,168	23,06,231
Loss on Derivative Share (F&O) Business	(10,67,729)	-
Loss on Speculative Commodity Business	(5,70,899)	-
Provision for Diminution in Value in Investment	(52,268)	-
Expenses Related to Investment Activities	(11,213)	-
<b>Total</b>	<b>(15,09,941)</b>	<b>23,06,231</b>

**24. Expenditure in foreign currency :**

	This Year (Rs.)	Previous Year (Rs.)
Traveling Expenses	2,37,275	12,89,162
Legal & Professional	NIL	NIL

**25. FOB Value of Exports:**

<b>This Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
NIL	12,54,065

**26. CIF Value of Imports:**

<b>This Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
4,87,660	NIL

**27. Earning per share**

	<b>2010-11</b>	<b>2009-10</b>
a) Net Profit after tax available for Equity Shareholder (RS)	90,19,777	1,01,32,881
b) Number of Equity Shares of Rs 10/- each.	22,41,063	22,41,063
c) Basic & Diluted earning per share ( Rs.)	4.02	4.52

**28.** Figures in brackets represent figures for previous year.

Signatures to Schedule 1 to 18 annexed to and forming part of Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date.

As per our Report of even date attached.

**For S.S.SURANA & CO.,**  
*Chartered Accountants*

**For & On Behalf of the Board**

**(R.N.Goyal)**  
**Partner**  
M.No.

**(S.G.Bajoria)**  
Chairman-cum-Managing Director

**(Avinash Bajoria)**  
Jt. Managing Director

**Place : Jaipur**  
**Dated: 30/08/2011**

**Balance Sheet Abstract and General Business Profile:**

## Rajasthan Cylinders & Containers Ltd

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2011

	(RS.IN LACS.)	
A) <u>CASH FLOW FROM OPERATING ACTIVITIES</u>	2010-11	2009-10
Net profit before tax and extra ordinary items.	158.31	207.18
Adjustments for		
Depreciation	485.91	535.03
Interest	303.19	192.33
Loss/ Profit on sale of fixed assets	0.48	6.13
Dividend income	(2.51)	(0.05)
Interest income	(17.09)	(12.40)
Income from Investment Activities	(1.92)	(23.06)
Loss from commodity transactions	5.71	0.00
Loss from Share Transaction (F&O)	10.68	0.00
Expenses Related to Share/Commodity Trade	0.11	0.00
Provision for Diminution in value of Investments	0.52	0.00
<b>Operating profit before working capital changes</b>	<b>943.39</b>	<b>905.16</b>
Adjustments for		
Trade and other Receivables	(846.86)	(306.60)
Inventories	(9.29)	(508.88)
Trade and other Payables	(117.34)	361.51
<b>Cash Generated from operations</b>	<b>(30.10)</b>	<b>451.20</b>
Interest paid	(303.19)	(192.33)
Taxes paid	(35.57)	(28.01)
<b>Cash Flow before extra ordinary items</b>	<b>(338.76)</b>	<b>(220.34)</b>
<b>NET CASH FROM OPERATING ACTIVITES</b>	<b>(368.86)</b>	<b>230.85</b>
<b>B) <u>CASH FLOW FROM INVESTING ACTIVITES</u></b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	(69.38)	(270.82)
Sale of Fixed Assets	0.20	15.90
Proceeds from sale of securities	22.33	43.80
Purchase of securities	(28.10)	(15.76)
Loss from Share Transaction (F & O)	(10.68)	0.00
Loss from Commodity Trade	(5.71)	0.00
Expenses on Share Investment	(0.11)	0.00
Dividend received	2.51	0.05
Interest received	17.09	12.40
<b>NET CASH USED IN INVESTING ACTIVITES</b>	<b>(71.85)</b>	<b>(214.43)</b>



**Rajasthan Cylinders & Containers Ltd**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2011 (Contd..)**

	<b>2010-11</b>	<b>2009-10</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
1) Proceeds from Bank borrowings/Loans	(634.21)	(318.33)
2) Proceeds from Unsecured Loans, Trade deposits etc.	1053.72	124.98
3) Proceeds from vehicle Finance Liability	(6.21)	17.96
4)Raising of Share Capital	0.00	0.00
5) Proceeds from loans	54.67	(1.23)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>467.97</b>	<b>(176.62)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>27.26</b>	<b>(160.20)</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	77.94	238.14
<b>Cash and Cash Equivalents (Closing Balance)</b>	105.20	77.94

**Note :**

Consolidated Cash Flow Statement has been prepared under the "Indirect Method " set out in Accounting Standard-3 "Cash Flow Statement" issued by The Institute of Chartered Accountants of India.

AS PER OUR REPORT OF EVEN DATE ATTACHED.

**For S.S.SURANA & CO.**

*Chartered Accountants*

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
**(R.N. Goyal)**  
**Partner**  
**M. NO. 70331**

Sd/-  
**( S.G. Bajoria )**  
**Chairman Cum Managing Director**

Sd/-  
**(Avinash Bajoria)**  
**Jt. Managing Director**

**PLACE : JAIPUR**

**Date : 30/08/2011**

**I. Registration Details**

Registration No.:

Rajasthan Cylinders & Containers Ltd. **2140** State Code: **17**Agribiotech Industries Ltd. **17-019885** State Code: **17**Shipra Towers Pvt. Ltd. **17-012368** State Code: **17**Balance Sheet date **31.03.2011****II. Capital Raised during the year (Amount in Thousands)**Public Issue **Nil** Right Issue **Nil**Bonus Issue **Nil** Private Placement **NIL****III. Position of Mobilisation & Deployment of Funds (Amount in Rs. Thousand)**Total Liabilities **720319** Total Assets **720319****Sources of Funds:**Paid up Capital **22399** Reserve & Surpluses **243900**Secured Loans **213868** Unsecured Loans **146521**Deferred Tax Liability **18189** Trade deposits & Deferred  
Payment credits. **75442**  
Minority Interest **75442****Application of funds:**Net Fixed Assets **371432** Investments **7735**  
(Including revaluation)Net Current Assets **338462** Misc. Expenditure **NIL**Goodwill **2690****IV. Performance of Rajasthan Cylinders & Containers Limited (Amount in Rs. Thousands)**Production Value & **1319173** Total Expenditure etc. **1303342**

Other income (Net) etc.

Profit Before Tax **15831** Profit After Tax **10251**Earning per Share in Rs.: **4.02** Dividend % **NIL****V. Generic name of Principal products**

Item Code No. (ITC Code)	LPG Cylinders	:	7311
	LPG Gas	:	2901
	Valve & Regulators	:	8481
	Ethyl Alcohol	:	2200
	Cattle Feed	:	2171

**Rajasthan Cylinders & Containers Limited**

**SECTION 212**

**Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies:**

Statement of Holding Company's interest in Subsidiary Company as on 31.03.2011. :

1. Name of the Subsidiary Company	Shipra Towers P. Limited	Agribiotech Industries Ltd
2. Statement of Holding Company's interest in Subsidiary Company as on 31.03.10	9,980 Equity Shares @ Rs. 10/-	57,16,500 Equity Shares @ Rs. 10/-
3. Holding Company's interest in Subsidiary Company (In %)	99.80	52.93
4. Net aggregate amount of Profit/ (Loss) of the Subsidiary as far as it concern Holding Company (Rs./Lakhs)	(-0.05)	7.89
5. Dealt within the accounts of Rajasthan Cylinders & Containers Limited by way of dividend on the shares held in the subsidiary for the year ending 31.03.2011	NIL	NIL
6. Not dealt with in the accounts of Rajasthan Cylinders & Containers a) for the year ended 31.03.2011 b) for the previous year	NIL NIL	NIL NIL

**Sd/-**  
**( Sree Gopal Bajoria )**  
**Chairman Cum Managing Director**

**Sd/-**  
**( Avinash Bajoria)**  
**Joint Managing Director**