

# **RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

**23<sup>rd</sup> Annual Report**

**2002-2003**

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

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED 23<sup>rd</sup> Annual Report**

**BOARD OF DIRECTORS**

G.G. BAJORIA  
S.G. BAJORIA  
B.K. KHAITAN

**Managing Director**  
**Director**  
**Director**

**BANKERS**

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

**AUDITORS**

S.S. KOTHARI & CO.

For Rajasthan

  
Auth. Signature

**FACTORY &  
REGISTERED OFFICE**

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

## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of Rajasthan Cylinders & Containers Limited will be held at SP-825, Road No.14, V.K.I. Area, Jaipur on Monday the 30th September, 2003 at 10:30 A.M. to transact the following business:-

### As Ordinary Business:

1. To consider and adopt the Audited Balance Sheet as on 31.3.2003 and the Profit & Loss Account for the year ended as on that date and the Report of Directors and Auditors thereon.
2. To appoint a director in place of Shri B.K.Khaitan who retires by rotation at the ensuing meeting and being eligible, offers himself for reappointment.
3. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### 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

The instrument appointing proxy should however be deposited at the share department of the company not less than forty eight hours before the commencement of the meeting.

- (b) The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2003 to 30<sup>th</sup> September, 2003 (both days inclusive) for the purpose of closure of transfer books.

Registered Office:

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

By Order of the Board

sd/-  
GIRDHAR BAJORIA  
MANAGING DIRECTOR

Place: Jaipur

Date: 4th September, 2003

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty third Annual Report together with the Audited statement of Accounts of our Company for the year ended 31st March, 2003.

FINANCIAL RESULTS	(Rs. in Lacs)	
	2002-2003	2001-2002
Surplus before Depreciation	13.28	387.49
Less : Depreciation	70.50	95.91
	-----	-----
Net Surplus from Operations	42.78	291.58
Less : Provision for Taxation	3.60	26.00
: Deferred Tax Liability	9.69	73.07
	-----	-----
	29.49	192.51
Add : Surplus from previous year	742.96	550.45
Surplus carried forward	772.45	742.96

### CYLINDERS:

Your Directors have to state that the company could not achieve the target levels due to not availability of sufficient orders from the oil companies. Production during the year was 202518 cylinders as 392886 cylinders in previous year. Sales during the year was recorded Rs. 1601.70 lacs as against Rs. 955.53 lacs in the previous year.

### VALVE & REGULATORS:

During the year under review regular orders from the oil companies were not received sufficiently as compared to previous year and the company achieved the production level of 383074 valves and 166761 Regulators as compared to 627158 valves and 253949 regulators in previous year.

### GAS BOTTLING:

Gas bottling plant has also not recorded substantial capacity utilisation both on account of company's own marketing effort of BAJORIA GAS as well as contract filling for Reliance Petroleum Ltd.

**PROSPECTS FOR THE NEXT YEAR:**

At present the company is hopeful to get the sufficient orders for all three products namely cylinders, valves and Regulators in view of the demand of these products from the oil companies . Tenders have been floated by the oil companies for placement of orders . The company has participated in these tenders and is extremely hopeful of getting orders from the oil companies. However in view of the excess installed capacity in the country for all three products the company expects the rates to be extremely competitive and the margin will come under severe pressure.

**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 requirement 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, 2003 the applicable accounting standards have been followed.

2) That the Directors have selected such accounting policies and applied them consistently and made judgements 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 2003 on a going concern basis.

## 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

	Year ended 31.3.2003	Year ended 31.3.2002
1. Electricity :		
a) Purchased :		
Units (000)	873.216	1451.610
Total Amount (Lacs)	44.05	68.10
Rate/Unit	5.04	4.69
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 outage from R.S.E.B. side to sustain the running plant.	
b. Consumption per Unit :		
Of production	4.31	3.69
LPG Cylinder	202518	392886

#### 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:

	Rs. in Lacs.
	Current Year
1) Foreign Exchange earned	Nil
	Indian Rupees
2) Foreign Exchange used	RS.
Travelling Expenditure	2,68,325
Directors Foreign Travelling exp.	43,175
others	4,927
	for & on behalf of the Board

sd/-

(G.G. BAJORIA)

MANAGING DIRECTOR

Place : Jaipur

Date: The 4th day of September, 2003

**AUDITORS:**

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

**DIRECTOR:**

Shri B.K.Khaitan retires by rotation and being eligible offers himself for reappointment.

**DIVIDEND:**

The Board is of the opinion that the profits for the year should be ploughed back in order to conserve its resources for future expansion. The Board of Directors of the Company has decided not to recommend payment of dividend.

**EMPLOYEES:**

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 none of the employee has been paid in excess of the limits specified in the section.

**ACKNOWLEDGEMENT:**

The Board of Directors express their gratitude and its appreciation to the continued cooperation and support of Company's Banker, Financial Institution, Customs & 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/-

(GIRDHAR BAJORIA)  
MANAGING DIRECTOR

Place : Jaipur

Date: The 4th day of September, 2003

**AUDITORS' REPORT  
TO THE SHAREHOLDERS  
OF  
RAJASTHAN CYLINDERS & CONTAINERS LIMITED.**

We report that we have audited the Balance Sheet of Rajasthan Cylinders & Containers Limited as at 31st March, 2003 and Profit & Loss Account of the said Company for the year ended 31st March, 2003 both 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, We enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph 1 above, We report that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of these books.
  - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
  - d) (i) Provision for taxation has been made in accounts as discussed in Note No. 21 of Schedule 15.  
  
(ii) No provision has been made in accounts for Rs 32,16,238/- being fall in value of long term investments (Note No. 22 of Schedule 15)

On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2003 from being appointed as a director under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to our comments in para 2(d) above and note no. 14 of Schedule 15 read with other notes thereon, comply with the accounting standards referred to in section 211 3(C) of the Companies Act, 1956 in the manner so required and give a true and fair view:

- i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2003;



- ii) In the case of Profit & Loss Account, of the Profit of Company for the year ended 31st March, 2003. and
- iii) In the case if cash flow statement, of the cash flows for the year ended on that date.

For S.S. KOTHARI & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
(B.L. VERMA)  
Partner

Place: Jaipur  
Dated: The 4th day of September 2003

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**  
**ANNEXURE FORMING PART OF THE AUDITORS REPORT**

Referred to in paragraph (1) of the report of even date of the Auditors to the members of Rajasthan Cylinders & Containers Limited :

- i) The Company is not maintaining proper records showing full particulars including quantitative details and situations of fixed assets for last few years and current year which are stated to be still under preparation. 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 report was not available for our verification. In our opinion and as per information given to us, the frequency of verification is reasonable. 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 registers and physical verification reports.
- ii) None of the fixed assets has been revalued during the year.
- iii) As explained to us, the stocks of finished goods, stores & spare parts and raw materials have been physically verified by the management at reasonable intervals; stocks of stores & spare parts have been physically verified by the management at the year end, which has been considered as reasonable.
- iv) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- v) As explained to us, the discrepancies noticed on physical verification of stocks as compared to available book records, which in our opinion were not material, have been properly dealt with in the books of accounts.
- vi) In our opinion and on the basis of our examination, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
- vii) As explained to us, the Company has taken unsecured loans/amounts in current accounts (including interest free) from parties listed in the register maintained under section 301 of the Companies Act, 1956 as explained in note no.18 of Schedule 15. In our opinion terms and conditions of such loans are prima-facie not prejudicial to the interest of the company. The provisions of section 370(1B) of the Companies Act, 1956 are not applicable on or after 31st October 1998.
- viii) The Company has granted loans/advances in current account in the nature of loans to certain companies, relatives of directors etc. listed in the register maintained under section 301 of the Companies Act, 1956. Interest free advances/loans to some companies, relatives of directors etc. which are not in accordance with section 295 of Companies Act, as explained in Note Nos. 14 & 18 of schedule 15

are prejudicial to the interests of the company. The provisions of section 370 (1B) of the Companies Act, 1956 are not applicable on or after 31st October 1998.

- ix) The Company has given interest-free advances in the nature of loans to its employees. As informed to us, the same are being recovered as per stipulations where made except in case of ex-employees where steps are being taken by the company for recovery.
- x) In our opinion and on the basis of checks carried out during the course of audit and as per explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchases of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.
- xi) According to the records produced for our verification, there are no transactions for purchases of goods and materials and sale of goods, materials and services made by the company in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.50, 000/- or more in respect of each party.
- xii) As explained to us, the company has a regular procedure for determination of unserviceable or damaged stores, raw materials and finished goods. Adequate provision is made in the accounts for the loss arising on the items as and when determined.
- xiii) As explained to us, the company has obtained temporary borrowings to meet working capital requirements, from companies, directors & their relatives and other parties. The management is of the opinion that the amounts so borrowed from companies are exempt under the provisions of section 58-A of the Companies Act, 1956 and the rules framed thereunder. As explained to us, the borrowed amounts from the parties were given voluntarily and have partly been repaid during the year.
- xiv) According to records produced for our verification, the company is maintaining reasonable records for sale and disposal of realisable scrap and waste. The company has no by-products.
- xv) The company does not have any internal audit system.
- xvi) 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.
- xvii) The company is generally regular in depositing the provident fund and employees state insurance dues with the appropriate authorities, except delays on some occasions.
- xviii) In our opinion and as per the records produced for our verification, there are no undisputed amounts payable in respect of Income-Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty as at 31st March, 2003 which are outstanding for a period of more than six months from the date they became payable except sales tax retained under Sales Tax Incentive/ Deferment Scheme, 1989, and sales Tax Deferment Scheme, 1999 as explained in Note no. 12 of Schedule 15.
- xix) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses which have been charged to Profit & Loss account,

other than those expenses which have been incurred under contractual obligations or as per accepted business practices. Please refer Note No. 26 of Schedule 15 for keyman insurance premium Rs 44,61,574/- paid during the year.

- xx) The company is not a sick Industrial Company within the meaning of clause (O) of sub-section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For S.S. KOTHARI & CO.,  
CHARTERED ACCOUNTANTS,

Sd/-  
(B.L. VERMA)  
Partner

Place : Jaipur

Dated : The 4<sup>th</sup> day of September 2003

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2003

	SCHEDULE	AS AT 31.03.2003 (RS.)	AS AT 31.03.2002 (RS.)
<u>LIABILITIES :</u>			
SHARE CAPITAL	1	22399242	22399242
RESERVES & SURPLUS	2	140545744	142237330
SECURED LOANS	3	15297630	51860063
UNSECURED LOANS & TRADE DEPOSITS	4	52655046	37245403
DEFERRED TAX LIABILITY (NET) (Note No. 17 of Schedule 15)		14435096	13466011
DEFERRED PAYMENT CREDITS	5	847588	402605
CURRENT LIABILITIES & PROVISIONS	6	15924164	40387357
		<u>262104510</u>	<u>307998011</u>
<u>ASSETS :</u>			
FIXED ASSETS	7	135207193	145306847
INVESTMENTS	8	23449848	11894010
CURRENT ASSETS, LOANS & ADVANCES	9	103447469	150797154
		<u>262104510</u>	<u>307998011</u>

NOTES ON ACCOUNTS: 15  
AS PER OUR REPORT OF EVEN DATE ATTACHED.

For S. S. KOTHARI & CO.,  
CHARTERED ACCOUNTANTS

Sd/-  
(B.L. VERMA)  
PARTNER

Sd/-  
(S.G. BAJORIA)  
DIRECTOR

Sd/-  
(G.G. BAJORIA)  
MANAGING DIRECTOR

PLACE : JAIPUR  
DATE : 4 th September 2003

**RAJASTHAN CYLINDERS AND CONTAINERS LIMITED**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2003**

	SCHEDULE	Year Ended 31.03.2003 (RS.)	Year Ended 31.03.2002 (RS.)
<u>INCOME :</u>			
PRODUCTION VALUE	10	154171628	281141439
OTHER INCOME	11	6574180	3188999
		<u>160745808</u>	<u>284330438</u>
<u>EXPENDITURE :</u>			
RAW MATERIALS CONSUMED	12	77020240	128820009
PAYMENTS TO & PROVISIONS FOR EMPLOYEES	13	4806534	6183214
OPERATION & OTHER EXPENSES	14	44888529	67311368
EXCISE DUTY(NET OF EXCISE MODVAT AVAILABLE)		22701906	43266660
DEPRECIATION	11691100		9591349
LESS: CHARGED FROM REVALUATION RESERVE	<u>4640620</u>	7050480	--
		<u>156467689</u>	<u>255172600</u>
PROFIT BEFORE TAX		4278119	29157838
PROVISION FOR TAXATION			
-CURRENT TAX		360000	2600000
-DEFERRED TAX			
(Note No. 17 of Schedule 15)		969085	7307356
		<u>2949034</u>	<u>19250482</u>
PROFIT CARRIED TO BALANCE SHEET			

NOTES ON ACCOUNTS:  
AS PER OUR REPORT OF EVEN DATE ATTACHED.

15

For S. S. KOTHARI & CO.,  
CHARTERED ACCOUNTANTS

Sd/-  
(B.L. VERMA)  
PARTNER

Sd/-  
(S.G.BAJORIA)  
DIRECTOR

Sd/-  
(G.G.BAJORIA)  
MANAGING DIRECTOR

PLACE : JAIPUR  
DATE : 4 th September 2003

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

SCHEDULE : 1 SHARE CAPITAL	AS AT 31.03.2003 (RS.)	AS AT 31.03.2002 (RS.)
AUTHORISED :		
3000000 Equity Shares of Rs. 10/- each	30000000	30000000
ISSUED,SUBSCRIBED AND PAID UP :		
2241063 Equity Shares of Rs. 10/- each fully paid	22410630	22410630
Less : Calls in arrears due from other than Directors.	11388	11388
	<u>22399242</u>	<u>22399242</u>

## SCHEDULE : 2 RESERVES & SURPLUS

General Reserve			
As per last account	--		4500000
Less: Deferred Tax Liability (Net) to the extent of available reserve	--		-4500000
Revaluation Reserve			
As per last account	67941558		67941558
Less: Depreciation for the year charged to Profit & Loss Account	<u>4640620</u>	63300938	--
Profit & Loss			
As per last account	74295772		56703945
Less: Deferred Tax Balance Liability(Net) After Set off with General Reserve	<u>0</u>		<u>1658655</u>
	74295772		55045290
Add: Profit as per annexed Profit & Loss Account	<u>2949034</u>	77244806	<u>19250482</u>
			74295772
		<u>140545744</u>	<u>142237330</u>

## SCHEDULE : 3 SECURED LOANS

Central Bank of India(C/C & O/D) (including cheques over issued)	1547630	27110063
Term Loan from IDBI	13750000	24750000
	<u>15297630</u>	<u>51860063</u>

Notes :

Borrowings from Central Bank of India are secured by hypothecation of stocks and book debts, first charge on block assets ( except plant & machinery etc. acquired under Equipment Finance Scheme and other assets financed by IDBI), second charge on Land & Building and guaranteed by Shri S.G. Bajoria and Shri Girdhar G.Bajoria, Directors of the Company.

Term Loan from I.D.B.I. is secured by first mortgage of all the immovable properties both present and future, first charge by way of Hypothecation of all Movables, both present and future, of the company, subject to prior charges (i) created and / or to be created in favour of company's bankers for working capital and (ii) on specific items of machinery in favour of Central Bank of India for its working capital facilities upto specified amount and personal Guarantees of Shri S.G. Bajoria and Shri G.G. Bajoria, Directors of the Company

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

SCHEDULE : 4 UNSECURED LOANS & TRADE DEPOSITS	AS AT 31.03.2003 (RS.)	AS AT 31.03.2002 (RS.)
Bearing Interest:		
From Companies	10106	0
From Others	5047	0
Not Bearing Interest:		
From Companies	23628000	2900000
From Directors	3105621	9464729
From Others (including relatives of directors)	7260250	5887000
Customers & Dealers deposits	6547500	6785400
Other deposits	51096	51096
Deferement of Sales Tax ( Under Sales Tax Incentive / Deferment Scheme, 1989 and 1998 ) (Note No.12 of Schedule 15)	11882991	11992743
Interest Accrued & Due	164435	164435
TOTAL	52655046	37245403

## SCHEDULE : 5 DEFERRED PAYMENT CREDITS

Against supply of machinery/ car on deferred payment/ hire purchase terms secured by hypothecation of machinery/ car so purchased, in favour of Bank/ concerned party in consideration of guarantee furnished by them and counter guaranteed by the company (as applicable)	946300	471360
Less : Interest in respect of future instalments/hire charges	98712	68755
	847588	402605



# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

SCHEDULE : 6 CURRENT LIABILITIES & PROVISIONS		AS AT 31.03.2003 (RS.)	AS AT 31.03.2002 (RS.)
CURRENT LIABILITIES :			
Sundry Creditors (Trade)	10228837		20180340
Sundry Creditors (Capital Goods)	152110		729823
Sundry Creditors (Others)	1156691		5940689
Sundry Creditors (Shares)	<u>0</u>	11537638	7270500
Sales Tax Payable		82388	329420
Liabilities for Expenses		1500827	2923032
Advances from Customers		2386078	275411
Income Tax Deducted at source		35525	138142
Sub Total (A) :		<u>15542456</u>	<u>37787357</u>
PROVISIONS :			
Provision for Taxation		381708	2600000
Sub Total (B) :		<u>381708</u>	<u>2600000</u>
Total (A+B) :		<u>15924164</u>	<u>40387357</u>

**RAJASTHAN CYLINDERS AND CONTAINERS LIMITED.**

**SCHEDULE : 7 FIXED ASSETS:**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31.03.2002	ADDITIONS DURING THE YEAR	SALES/ ADJUSTMENTS DUE TO REVALUTAION	AS AT 31.03.2003	UP TO 31.03.2002	FOR THE YEAR	DEPN. ON SALE	TOTAL UPTO 31.03.2003	AS AT 31.03.2003	AS AT 31.03.2002
Leasehold Land	30080685	0	0	30080685 ✓	80685	303845	0	384530 ✓	29696155	30000000
Building & Roads (including Tubewell)	25789027	0	0	25789027 B	3169027	816213	0	3985240 P	21803787	22620000
Plant & Machinery	88785969	786473	0	89572442 P	19985969	4841139	0	24827108 P	64745334	68800000
Electric Installation	3133042	57200	0	3190242 P	840642	149311	0	989953 P	2200289	2292400
Furniture & Fixtures	889342	8603	0	897945 P	291942	54921	0	346863	551082	597400
Office Equipments	1015811	38500	0	1054311 P	279411	49273	0	328684	725627	736400
Vehicles	2876648	666500	0	3543148 ✓	861101	274148	0	1135249	2407899	2015547
Temporary Shed	8311	0	0	8311 B	8311	0	0	8311 B	0	0
Dies & Punches	1927863	0	0	1927863 P	881863	154790	0	1036653 P	891210	1046000
Computers	2224599	34170	0	2258769 P	999599	363794	0	1363893	895376	1225000
LPG Cylinders & regulat	28564956	0	0	28564956 O	13381856	4630379	0	18012235	10552721	15183100
Weighing Bridge	946306	0	0	946306 O	310306	44949	0	355255	591051	636000
Water & Air Supply	175544	0	0	175544 O	20544	8338	0	28882	146662	155000
	186418103	1591446	0	188009549	41111256	11691100	0	52802356	135207193	145306847
Previous Year Figures	113830538	5934046	1288039	67941558	186418103	32331720	9591349	811813	41111256	145306847

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

SCHEDULE : 8 INVESTMENTS	AS AT 31.03.2003 (RS.)	AS AT 31.03.2002 (RS.)
<b>(LONG TERM )</b>		
Government Securities-Unquoted :		
Indira Vikas Patra	4000	4000
National Saving Certificate	1000	0
Trade Investments (Quoted) :		
Filament India Limited 201000 Equity Shares of Rs. 10/- each	3280720	3280720
Rajasthan Synthetic Industries Ltd. 300 Shares of Rs. 10/- each.	1068	1068
TTG Industries Ltd. 5000 Shares of Rs. 10/- each.	432905	432905
Note: Market value of quoted investments Rs.623055/- (Previous Year Rs.502455/-) (based on available quotations)		
<b>TOTAL (A)</b>	<u>3719693</u>	<u>3718693</u>
<b>SHORT TERM/CURRENT INVESTMENTS</b> (As per Annexure 8A)		
i ) Equity Shares		
Quoted	6715424	8175317
Unquoted	494000	--
ii) Units of Mutual Funds	12520731	--
<b>TOTAL (B)</b>	<u>19730155</u>	<u>8175317</u>
<b>GRAND TOTAL (A+B)</b>	<u>23449848</u>	<u>11894010</u>

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

ANNEXURE : 8 A

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2003

**STATEMENT OF SHARE TRADING ACCOUNT FOR THE YEAR ENDED ON 31.3.2003**

NAME OF COMPANY	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK VALUED AT COST OR MARKET VALUE WHICH EVER IS LOWER	
	QTY.	AMOUNT	QTY.	AMOUNT	QTY.	AMOUNT	QTY.	AMOUNT
<b>(i) EQUITY SHARES ( QUOTED )</b>								
FILAMENTS INDIA LTD.	244860	587664					244860	673365
SOFTWARE SOLUTIONS INTL. LTD.	107	19089					107	5869
LCC INFOTECH LTD.	1100	8415					1100	2640
TATA CHEMICALS LTD.	1000	43800					1000	61150
ALPHA DRUG INDIA LTD.	4000	10000					4000	25200
KAASHYAP REDIENTS LTD.	1000	11250	400 (bonus)				1400	1400
BOLTON PROPERTIES LTD.	106660	1775889					106660	3199800
MFL HOUSING FINANCE LTD.	300000	2835000					300000	2070000
BEEKAY NIRYAT LTD.	360000	522000					360000	522000
S.E.ASIA MARINE LTD.	20000	2200710	6000	617920	24000	2614528	2000	43400
SKF BEARING LTD.	5000	161500			4000	182500	1000	41850
HINDUSTAN PETROLEUM COPN. LTD.	0	0	2000	534200	2000	572540	0	0
BHARAT PETROLEUM CORPN. LTD.	0	0	2000	559300	2000	554460	0	0
RELIANCE INDUSTRIES LTD.	0	0	2000	528200	2000	538540	0	0
THE BANK OF RAJASTHAN LTD	0	0	5000	86750			5000	68750
<b>SUB-TOTAL (i)</b>	<b>1043727</b>	<b>8175317</b>	<b>17400</b>	<b>2326370</b>	<b>34000</b>	<b>4462568</b>	<b>1027127</b>	<b>6715424</b>
<b>(ii) UNQUOTED ( AT COST )</b>								
<b>(a) EQUITY SHARES</b>								
RCCL INFRASTRUCTURE LTD. (Subsidiary Company )	0	0	49400	494000			49400	494000
<b>(b) Units of Mutual Funds</b>								
FRANKLIN TEMPLETON INVESTMENTS	0	0	117216.255	2500000.00			117216.26	2500000.00
BIRLA SUN LIFE MUTUAL FUND	0	0	96630.308	2500000.00			96630.31	2500000.00
BIRLA SUN LIFE MUTUAL FUND	0	0	97840.082	2500000.00			97840.08	2500000.00
HDFC MUTUAL FUND	0	0	175089.646	2500000.00	175089.646	2520730.62	0.00	0.00
HDFC MUTUAL FUND	0	0	248470.243	2520730.62			248470.24	2520730.62
PRUDENTIAL ICICI MUTUAL FUND	0	0	139295.943	2500000.00			139295.94	2500000.00
<b>SUB-TOTAL (ii)</b>	<b>0</b>	<b>0</b>	<b>923942</b>	<b>15514731</b>	<b>175090</b>	<b>2520731</b>	<b>748853</b>	<b>13014731</b>
<b>TOTAL (i + ii)</b>	<b>1043727</b>	<b>8175317</b>	<b>941342</b>	<b>17841101</b>	<b>209090</b>	<b>6983299</b>	<b>1775980</b>	<b>19730155</b>

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

## SCHEDULE : 9 CURRENT ASSETS, LOANS & ADVANCES

AS AT  
31.03.2003  
(RS.)

AS AT  
31.03.2002  
(RS.)

### A. CURRENT ASSETS :

Amount Receivable	168790	38397
Stocks (as per Inventories taken, valued and certified by the management) :		
Raw Materials	30245713	10655052
Stock in Process	102180	4426237
Finished Goods	377636	1883604
Stores & Spares	2116418	5420022
Scrap	471064	639871
	<u>33313011</u>	<u>23024786</u>
Sundry Debtors (unsecured, considered good)		
Outstanding for a period exceeding six months	301864	896597
Other Debts	1032699	66752825
	<u>1334563</u>	<u>67649422</u>
Cash & bank balances:		
Cash in hand	477138	126026
With Scheduled banks:		
In Current Accounts (Including Cheques in Hand)	2353996	487665
Fixed Deposit accounts (fixed deposits receipts have been pledged with bank as margin against bank guarantees)	6179000	660000
	<u>9010134</u>	<u>1273691</u>
Total (A)	<u>43826498</u>	<u>91986296</u>

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

SCHEDULE : 9 Continued...	AS AT 31.03.2003 (RS.)	AS AT 31.03.2002 (RS.)
---------------------------	------------------------------	------------------------------

## B. LOANS & ADVANCES :

### Unsecured Loans (Considered Good)

#### Bearing Interest

18274286

23462435

#### Not Bearing Interest (Including Rs.5827160/-

8327160

7597510

Previous Year Rs.92510/-to companies in which  
directors are interested)

### Advances recoverable in cash

or in kind or for value to be

26366411

20835605

received or pending adjustments

(Including Advances for Capital Goods

Rs.1174677/- ;Previous Year Rs.1368487/- and Share

Application money Rs.6048000/-,Previous Year Rs.

6048000/-)

### Income Tax Advance and

521775

1331373

income tax deducted at source

### Prepaid Expenses

280541

266670

### Security Deposits

5850798

5317265

### TOTAL (B)

59620971

58810858

### TOTAL (A+B)

103447469

150797154

**RAJASTHAN CYLINDERS AND CONTAINERS LIMITED**

SCHEDULE : 10 PRODUCTION VALUE

YEAR ENDED 31st March 2003

YEAR ENDED 31th March, 2002

	LPG CYL VAL.,REG & GAS	GI STRIPS	SCRAP/ MISC.	TOTAL	LPG CYL VAL.,REG & GAS	GI STRIPS	SCRAP/ MISC.	TOTAL
Sales (Net)(Including Excise Duty, net of sales commission and liquidated charges etc.)	153410481	-	6759979	160170460	289411102	-	6142095	295553198
Add : Closing Stock :								
Finished Goods	307136	70500	471064	848700	1813104	70500	639871	2523475
Stock in process	102180	-	-	102180	4426237	-	-	4426237
<b>TOTAL "A"</b>	<b>153819797</b>	<b>70500</b>	<b>7231043</b>	<b>161121340</b>	<b>295650443</b>	<b>70500</b>	<b>6781966</b>	<b>302502910</b>
Less: Opening Stock :								
Finished Goods	1813104	70500	639871	2523475	239506	70500	179870	489876
Stock in process	4426237	-	-	4426237	20871595	-	-	20871595
<b>TOTAL "B"</b>	<b>6239341</b>	<b>70500</b>	<b>639871</b>	<b>6949712</b>	<b>21111101</b>	<b>70500</b>	<b>179870</b>	<b>21361471</b>
<b>(A - B)</b>	<b>147580456</b>	<b>-</b>	<b>6591172</b>	<b>154171628</b>	<b>274539342</b>	<b>-</b>	<b>6602096</b>	<b>281141439</b>

# **RAJASTHAN CYLINDERS AND CONTAINERS LIMITED**

## **SCHEDULE : 11 OTHER INCOME**

	Year Ended 31.03.2003 (RS.)	Year Ended 31.03.2002 (RS.)
Miscellaneous Receipts (Including Sales tax refund) (Including Job Charges Received Rs.1556983/- Previous Year Rs. 1581522/-)	5280077	1676251
Dividend on Units & Shares	12499	2544
Profit / Loss on dealings etc. of Shares (Net)	676305	788474
Profit / Loss on dealings etc. of Mutual Fund (Net)	20731	0
Profit on Sale of Assets	0	21838
Service Charges from Customers	579290	682742
Liabilities written back	5278	0
Profit on Sale of Raw material	0	17150
	<u>6574180</u>	<u>3188999</u>

## **SCHEDULE : 12 RAW MATERIALS CONSUMED**

Opening Stock	10655052	9640843
Add : Purchases (including expenses) (Net of sales Proceed Rs. 14816563/- )	96610901	129834218
	<u>107265953</u>	<u>139475061</u>
Less : Closing Stock	<u>30245713</u>	<u>10655052</u>
	<u>77020240</u>	<u>128820009</u>

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

Salaries, Wages, Bonus & Other allowances etc.(including staff deputation expenses)	3922738	5040058
Employers contribution to ESI & PF (including administrative charges Rs.23608/-, Previous Year Rs. 28860/-).	371357	563351
Contribution to LIC Group Gratuity Scheme	105113	78491
Staff & Labour Welfare Expenses	407326	501314
	<u>4806534</u>	<u>6183214</u>



## RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

SCHEDULE : 14 OPERATION & OTHER EXPENSES	Year Ended 31.03.2003 (RS.)	Year Ended 31.03.2002 (RS.)
<u>MANUFACTURING EXPENSES :</u>		
Stores & Spares Consumed	18974226	25621759
Power & Fuel	4490816	7291038
Repairs to :		
Plant & Machinery	303356	443066
Building & Roads	208932	279264
Others	137567	114612
ISI Marking Fee	631762	1001527
Job Charges	5917731	9465020
	30664390	44216286
<u>ADMINISTRATIVE EXPENSES :</u>		
Rent	0	600
Rates & Taxes	334922	66797
Insurance	355501	323595
Travelling & Conveyance (including Directors Travelling Expenses Rs.608779/-; Previous year Rs. 1271790/-)	2241390	2982892
Miscellaneous Expenses	1830422	4141353
Expenses on Project Dropped	0	1235703
Key Man Insurance Premium	4461574	3136787
Postage, Telegram, Telephone & Telex	605995	853138
Printing & Stationery	149798	243699
Vehicles Expenses	265956	364571
Recruitment Expenses	3577	15022
Legal & Professional Expenses	338923	927841
Bad Debts Written Off	621790	410786
Loss on Sale of Assets	0	148122
Payments to Auditors :		
- As Audit Fee	48600	36750
- For Tax Audit	5400	5250
- For Taxation matters	5400	5250
- Reimbursement of Expenses	8570	7220
Sundry Balances Written Off (Net)	101221	424951
	11379039	15330327

# RAJASTHAN CYLINDERS AND CONTAINERS LIMITED

SCHEDULE : 14 OPERATION & OTHER EXPENSES	Year Ended	Year Ended
Contd....	31.03.2003	31.03.2002
	(RS.)	(RS.)

## FINANCIAL EXPENSES :

Interest :		
On Term Loan	3462317	5307876
On Bank Borrowings	326540	436922
Others	147895	439392
	<u>3936752</u>	<u>6184190</u>
Less : Interest received (including interest on Fixed Deposit Rs.9570/- Previous Year Rs 41265/-)	3064683	1173161
	<u>872069</u>	<u>5011029</u>
Bank Charges & Guarantee Commission	188959	250234
	<u>1061028</u>	<u>5261263</u>

## SELLING EXPENSES :

Advertisement & Publicity ( Net)	71437	63543
Freight,forwarding & transportation (Net)	1511789	1900125
Sales Promotion	200846	539824
	<u>1784072</u>	<u>2503492</u>
GRAND TOTAL :	<u>44888529</u>	<u>67311368</u>

**SCHEDULE 15: NOTES**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2003 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, price escalation/de-escalation, interest on fixed deposit with bank and retirement benefits which are accounted for on cash basis and as explained in Note No.14 and 26 annexed to Final Accounts for the year ended 31.03.2003. 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.25 below) less depreciation. Cost include 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 (including write off Rs. 4304 on leasehold land) 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". Normal depreciation Rs 36663/- and Rs 35517 /- has been charged on G. I. Strip Plant and Lamination Plant respectively not used during the year; this has been claimed by the management on the ground of wear and tear due to efflux of time.

**(D) BORROWING COST**

Borrowing costs that are attributable to acquisition of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**(E) INVENTORY**

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

**(F) SALES**

- i) Sales are inclusive of Excise duty and net of rate differences.
- ii) Goods for self use (Home Consumption) are included in sales.

**(G) EMPLOYEES BENEFITS**

- i) The Company has taken group gratuity policy with the Life Insurance Corporation of India covering gratuity liability of employees covered under the scheme. The premiums paid for this have been debited to Profit & Loss Account. However, the gratuity in respect of employees who were not covered by said scheme are considered as and when paid.
- ii) Contribution to provident and other funds made to the Government are charged off.

**(H) INVESTMENTS**

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

**(I) EXCISE DUTY**

The Company has been accounting for excise duty in respect of finished goods as and when they were cleared and accordingly liability in respect of such products at the close of the year has not been provided for in accounts and hence not included in valuation of such products as per basis consistently followed by the company. However, the company has made provision of excise duty for goods lying in factory as per the Guidance Note of The Institute of Chartered Accountants of India; this has no impact on profit of the company.

**(J) RETIREMENT BENEFITS**

Retirement benefits are accounted for as and when paid.

**(K) RESEARCH AND DEVELOPMENT**

Research and Development cost (Other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

**(L) AMORTISATION OF EXPENSES**

Miscellaneous Expenditure are written off over a period of 5 years.

**(M) 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.

## (N) TAXATION

Income tax provision comprise current tax and deferred tax charge or credit. Provision for current tax is made on assessable income at the tax rate applicable to relevant assessment year. 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 and unabsorbed depreciation under tax laws are recognised only if there is a virtual certainty of its realisation supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each balance sheet date, the carrying amount of deferred tax assets are reviewed to reassure realisation.

### 2. CONTINGENT LIABILITIES, NOT PROVIDED FOR

- a) Guarantees given by bankers on behalf of the company Rs.2,69,95,000/- (Previous year Rs. 51,50,000/-).
  - b) Sales Tax liability pending decision of appeal Rs. Nil (Previous year Rs. 3,21,559/-)
  - c) Interest, penal interest and penalty etc. for delayed payments/non-payment of sales tax (including on rate differences) etc and statutory liabilities; amount indeterminate.
  - (d) Claims against the company not acknowledged as debts Rs.62290/- (Previous year 62,290/-).
3. Estimated amount of contracts remaining to be executed on capital account, not provided for Rs. 14,22,176/- (Previous year Rs.14,08,241/-) advances paid Rs. 11,74,677/- (Previous year Rs. 13,68,487/-)
4. i) Advances in current account include amount due from a Director of the Company Rs.Nil (Previous year Rs. NIL). Maximum amount due at any time during the year Rs.1000/- (Previous year Rs. NIL)
- ii) Advances in current account include amounts due from officers of the Company Rs. 22,635/- (Previous year Rs.8,840/-). Maximum amount due at any time during the year Rs.33,840/- (Previous year Rs.53,906/-).
5. Balance confirmations for sundry debtors, sundry creditors, advances and deposits, are yet to be obtained, and therefore could not be shown to auditors. Adjustments may be necessary on receipt of such confirmations. However, the management is of the opinion that such adjustments are not likely to be of significant nature.
6. Profit for the year has been arrived at after prior year adjustment (Net) Rs.2191/- (Previous year Rs.76,852/-) Expenses/Income arisen/settled during the year have been charged to revenue.
7. Sales are net of selling commission Rs.45,39,399/- (Previous year Rs.90,88,962/-)

8. 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.

9. Amount in loan/current accounts with the following persons in which directors are interested directly or through their relatives:

		Balance as at 31.03.2003	Maximum debit balance at any time during the year
i)	Rajasthan Synthetic Ind. Ltd. (Not bearing interest) Current/ Loan Account	14176995/- Dr.	14176995/-
ii)	Filament India Ltd Loan Account	300000/- Dr.	500000/-
	Current Account	87592/- Cr.	Nil
iii)	Beekay Niryat Ltd. Current/ Loan Account	20728000/- Cr.	1160000/-
iv)	Giri Finance & Trading Ltd. Loan Account	92510/- Dr.	92510/-
v)	RCCL Infrastructure Ltd. (Subsidiary Company) Loan Account	3150000/- Dr.	3150000/-
	Current Account	10776/- Dr.	10776/-
vi)	Ambe International Loan Account	Nil	110000/-
vii)	Shipra Towers Limited Loan Account	2284650/- Dr.	2284650/-
viii)	Credence Technology Ltd. Loan Account	Nil	1000000/-

10. Sales are net of (a) Price Differences Rs.6,55,916/- ( Previous year Rs.98,51,014/- ) deducted by oil companies from supply bills and (b) Liquidated damaged Rs.3,809/-(Previous year Rs.8,53,630/-).

11.	(i)	Remuneration to Managing Director:	<u>2002-2003</u>	<u>2001-2002</u>
		Salary, bonus & ex-gratia	90,997/-	92,934/-
		Perks	86,560/-	86,087/-
	(ii)	Commission paid to a Director	NIL	NIL/-

12. (i) The Company has been granted eligibility certificate for deferment of sales tax by District Industries Center, Jaipur (Urban) under Sales Tax Incentive / Deferment scheme, 1989 under RST & CST Acts on sale of LPG Cylinders which had been fully availed by the company, however repayment have been started. The company has retained Sales Tax (RST/CST) Rs.44,47,000/- (Previous year Rs.62,25,800/-) towards deferment of sales tax under Sales Tax Deferment Scheme 1989 on the basis of expansion of cylinders unit; the company has started repayment of this amount.

(ii) 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. The company has retained Sales Tax (RST/CST) Rs.74,35,991/- (Previous year Rs.57,66,943/-) towards deferment of sales tax under Sales Tax Deferment Scheme 1998 on the basis of diversification of manufacture of Valves & Regulators.

(iii) 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.84,84,138/- (Previous year Rs.56,48,001/-) towards exemption of sales tax under Sales Tax Exemption Scheme 1998 on the basis of expansion of cylinder unit.

13. Miscellaneous expenses include sales tax in respect of earlier years, paid during the year Rs.3,34,175/- (Previous Year Rs.25,58,070/-) and Penalty Rs. Nil/- ( Previous year Rs.50,650/- )
14. No provision has been made in accounts for interest Rs.12,60,235/- ( Previous year Rs.16,47,075/- ) on current account / unsecured loans given by the company and Rs.22,65,177/- (Previous year Rs.15,88,291/-) on current account / unsecured loans ( including to relatives of director etc.) taken by the company.
15. In view of insufficient information from suppliers regarding their status as SSI units, overdue amount to such undertakings could not be ascertained.

16. Segment information about Primary Business Segment for the year ended 31st March, 2003.

	<b>Cylinders (Rupees)</b>	<b>Valves &amp; Regulators (Rupees)</b>	<b>LPG Gas (Rupees)</b>	<b>Total (Rupees)</b>
<b>Revenue</b>				
External	131442669 (242766217)	27185912 (50879379)	3678154 (4210854)	162306735 (297856450)
Internal	- (-)	- (-)	- (-)	- (-)
Total Revenue	131442669 (242766217)	27185912 (50879379)	3678154 (4210854)	162306735 (297856450)
<b>Result</b>				
Segment results	7246725 (29466442)	1059551 (8323837)	-1240373 (-1352186)	7065903 (36438093)
Unallocated expenditure	- (-)	- (-)	- (-)	6164662 (2904738)
Unallocated income	- (-)	- (-)	- (-)	4437907 (885747)
Operating Profit	- (-)	- (-)	- (-)	5339148 (34419102)
Interest & Bank Charges	- (-)	- (-)	- (-)	4125711 (6434424)
Interest Income	- (-)	- (-)	- (-)	3064683 (1173161)
Profit before Taxation	- (-)	- (-)	- (-)	4278120 (29157839)
Provision for Taxation	- (-)	- (-)	- (-)	360000 (2600000)
Deferred Tax Liability	- (-)	- (-)	- (-)	969085 (7307356)
Profit after taxation	- (-)	- (-)	- (-)	2949035 (19250483)
<b>Other Information:</b>				
Segment Assets	133188384 (164827568)	32056123 (53263637)	20217723 (25510675)	185462230 (243601880)
Unallocated Assets	- (-)	- (-)	- (-)	76642279 (64396131)
Total	133188384 (164827568)	32056123 (53263637)	20217723 (25510675)	262104509 (307998011)
Segment Liabilities	18014802 (31450505)	7734082 (7435216)	6566283 (6894368)	32315167 (45780089)
Unallocated Liabilities	- (-)	- (-)	- (-)	66844358 (97581350)
Total	18014802 (31450505)	7734082 (7435216)	6566283 (6894368)	99159525 (143361439)



	<b>Cylinders (Rupees)</b>	<b>Valves &amp; Regulators (Rupees)</b>	<b>LPG Gas (Rupees)</b>	<b>Total (Rupees)</b>
Capital Expenditure	1591446 (5934047)	- (-)	- (-)	1591446 (5934047)
Unallocated capital expenditure	- (-)	- (-)	- (-)	- (-)
Total	1591446 (5934047)	- (-)	- (-)	1591446 (5934047)
Depreciation	3676518 (5361740)	1462476 (1462476)	1911488 (2767133)	7050482 (9591349)
Unallocated Depreciation	- (-)	- (-)	- (-)	- (-)
Total	3676518 (5361740)	1462476 (1462476)	1911488 (2767133)	7050482 (9591349)
Non – cash expenses other than depreciation	- (-)	- (-)	- (-)	- (-)

**Notes:**

- I. The company is organised 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 .

Segments have been identified and reported 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.
- IV. Unallocated assets include investment of surplus fund Rs.2,34,49,848/- as per schedule 8 hereinbefore.

**17. 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 additional net deferred tax liability amounting to Rs.969085/-has been adjusted in profit & loss account.

ii) Break up of net deferred tax liability.

Particulars	As at 31.03.2003		As at 31.03.2002	
	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 purposes.		14441857		13541056
2) Expenses allowable for Tax purpose on payment basis	6761		75045	
Total	6761	14441857	75045	13541056
Net Deferred Tax Liability	14435096		13466011	
Net incremental deferred tax liability charged to Profit & Loss A/c	969085		7307356	

18. Information regarding related parties as required by Accounting Standard –18, issued by The Institute of Chartered Accountants of India.

Name of Transacting Related Parties	Description of Relationships	Descriptions of Nature of Transactions ( Interest free Loan )	Volume of Transactions (During the year)	Outstanding As on 31.03.2003
Miss.Aditi Bajoria	Daughter of M.D.	Loan Taken Loan Repayment	150000.00 150000.00	--
Smt.Alka Bajoria	Relative of M.D.	Loan Taken Loan Repayment	304000.00 139000.00	165000.00 Cr.
M/s.Ambe Inteternational	Directors are interested	Loan Taken Loan Repayment	0.00 110000.00	--
Smt.Aparana Bajoria	Relative of M.D.	Loan Taken Loan Repayment	452000.00 257000.00	375000.00 Cr.
Sh.Avinash Bajoria	Relative of M.D.	Loan Taken Loan Repayment	884000.00 374000.00	510000.00 Cr.
M/s.Beekay Niryat Ltd.	Directors are interested	Loan Taken Loan Repayment	26989000.00 6256000.00	20728000.00 Cr.
Sh.Girdhar Gopal Bajoria	Managing Director	Loan Taken Loan Repayment	650000.00 1000.00	649000.00 Cr.
Sh.Krishna Gopal Bajoria	Relative of M.D.	Loan Taken Loan Repayment	522250.00 0.00	522250.00 Cr.
Smt.Madhuri Devi Bajoria	Relative of M.D.	Loan Taken Loan Repayment	106000.00 15000.00	1231000.00 Cr.
Ms.Nandini Bajoria	Relative of M.D.	Loan Taken Loan Repayment	12000.00 0.00	12000.00 Cr.
Smt.Preetanjli Bajoria	Relative of M.D.	Loan Taken Loan Repayment	235000.00 210000.00	4314999.53 Cr.
Sh.Raghav Bajoria	Relative of M.D.	Loan Taken Loan Repayment	0.00 7000.00	--

Name of Transacting Related Parties	Description of Relationships	Descriptions of Nature of Transactions (Interest free Loan )	Volume of Transactions (During the year)	Outstanding As on 31.03.2003
Sh.Shree Gopal Bajoria	Director	Loan Taken Loan Repayment	6742637.00 13750745.00	2456621.49 Cr.
Miss.Supriya Bajoria	Daughter of M.D.	Loan Taken Loan Repayment	0.00 30000.00	--
Smt. Vinita Bajoria	Wife of M.D.	Loan Taken	0.00	130000.00 Cr.
M/s.Filament India Limited	Directors are interested	Loan Given Payment Received	500000.00 200000.00	300000.00 Dr.
M/s.Cario Niryat Limited	Directors are interested	Dividend Received Dividend Repayment	409.00 409.00	--
M/s.Credence Technologies Ltd	Directors are interested	Loan Given Payment Received	0.00 1000000.00	--
M/s.Giri Finance & Trading Limited	Directors are interested	Loan Given	0.00	92510.00 Dr.
M/s.Filament India Limited	Directors are interested	Current Account(Dr.) (Cr.)	16018.00 46228.50	87592.42 Cr.
M/s.RCCL Infrastructure Ltd (subsidiary company)	Directors are interested	Loan Given	3150000.00	3150000.00 Dr.
M/s.RCCL Infrastructure Ltd (subsidiary company)	Directors are interested	Current Account(Dr.) (Cr.)	40776.00 30000.00	10776.00 Dr.
M/s.Rajasthan Synthetic Industries Limited	Directors are interested	Current Account(Dr.) (Cr.)	22472805.56 12949000.00	14176995.06 Dr.
M/s.Shipra Towers Limited	Directors are interested	Loan Given	2284650.00 0.00	2284650.00 Dr.
Sh.Girdhar Gopal Bajoria	Managing Director	Current Account(Dr.) (Cr.)	0.00 0.00	6211.00 Cr.
Sh.Girdhar Gopal Bajoria	Managing Director	Salary & Perks	Refer Note No.11	--
Smt. Vinita Bajoria	Wife of M.D.	Salary, P.F., E.S.I., & Bonus,	102620.00	--
Sh.Ashutosh Bajoria	Relative of M.D.	Salary & Bonus	97497.00	--
Miss.Supriya Bajoria	Daughter of M.D.	Salary	35000.00	--
Sh.Girdhar Gopal Bajoria	Managing Director	Keyman Insurance	2717074.00	--
Smt. Vinita Bajoria	Wife of Managing Director	Keyman Insurance	1744500.00	--

19. Advances include company's claims with excise department Rs. 34,95,986/- (Previous year Rs.34,95,986/-) being excise duty excess paid due to revision of basic sales prices of empty LPG cylinders w.e.f. 01.07.99 as per price revision letters dated 23/10/2000 & 31/10/2000 from oil companies, for cylinders supplied to them. Company's claims have been rejected by Asstt. Commissioner, Central Excise, Division I, Jaipur. The company has filed appeals to Commissioner (Appeals) Jaipur; appeals are still pending. The company is of the opinion that the above amounts will be received on disposal of appeals.

20. Legal & Professional expenses include Rs.10,500/- (Previous year Rs. Nil) paid to auditors for certification fees.
21. Provision for taxation has been made in accounts considering brought forward business losses and depreciation.
22. Investments of the Company have been classified to be of long term nature and short term nature. There is decline in the value of long-term investments amounting to Rs.30,96,638/- (Previous year Rs.32,16,238/-), no provision to recognise such decline has been made in the accounts. However, decline in value of investments other than long term investments has been taken in to account.
23. 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 (a) stores & spares, raw material and stock in process and (b) scrap which are valued "at cost" and "at estimated realisable value" respectively. Provision for excise duty has been made for closing stock lying in warehouse; this has no impact on profit of the company.
24. Rates & Taxes include Land & Building Tax Rs.2,70,970/- (Previous year Rs. Nil) paid under Amnesty Scheme subject to final assessment.
25. 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.46,40,620/- (Previous year Rs. Nil) on the above increased value has been charged from revaluation reserve account.
26. The Company has taken Key Man Insurance Policy for Managing Director and Executive Director (employee) and paid premium Rs.44,61,574/- (Previous year Rs.31,36,787/-) and debited to Profit & Loss Account ; prepaid amount Rs.23,21,737/- has not been adjusted in accounts resulting in fall of profit. The company in this policy is proposer and beneficiary. The management is of the opinion that the full amount of Key Man Insurance Premium is deductible under Income Tax Act 1961, in current year as advised to the company.
27. Figures for the previous year have been re-arranged / regrouped wherever considered necessary; figures have also been rounded off to the nearest rupee.
28. 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>
Licensed Capacity*	Not Applicable	Not Applicable.
Installed Capacity (As certified by the Management)		
A)	350000 Cylinders per annum.	350000 Cylinders per annum
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)	1200000 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) Production, Turnover & Stocks :(CYLINDER UNIT)**

	<b>This Year</b>			<b>Previous Year</b>		
	Cylinders (Nos)	G.I. Strip (MT)	Scrap (MT)	Cylinders (Nos)	G.I. Strip (MT)	Scrap (MT)
Opening Stock	2539	2.700	67.269	53	2.700	36.761
Production	*2,02,518	--	599.916	3,92,886	--	1,072.663
Turnover	*2,04,829	--	664.656	3,90,400	--	1,042.155
Closing Stock	228	2.700	2.529	2,539	2.700	67.269

\* Excluding rejection / testing loss Cylinders 1695 (Previous year 3445 Cylinders)

**c) Purchases, Turnover & Stocks :( L.P.GAS UNIT)**

	<b>This Year (M.T.)</b>	<b>Previous Year (M.T.)</b>
Opening Stock	23.854	23.300
Purchased	103.070	138.200
Turnover (Refilled)	108.499	134.893
Normal Loss	2.215	2.753
Closing Stock	16.210	23.854

**d) Production, Turnover & Stocks :( Valve UNIT)**

	<b>This Year</b>		<b>Previous Year</b>	
	Valves (Nos.)	Scrap (M.T.)	Valves (Nos.)	Scrap (M.T.)
Opening Stock	6093	4.532	1592	.314
Production	383074	28.662	627158	46.120
Turnover	384674	25.494	622657	41.902
Closing Stock	4493	7.700	6093	4.532

**e) Production, Turnover & Stocks :( Regulator UNIT)**

	<b>This Year</b>		<b>Previous Year</b>	
	Regulators (Nos.)	Scrap (M.T.)	Regulators (Nos.)	Scrap (M.T.)
Opening Stock	--	0.314	--	0.523
Production	166761	2.050	253949	2.475
Turnover	166761	2.084	253949	2.684
Closing Stock	--	0.280	--	0.314

**f) Trading in Shares**

	This Year		Previous Year	
	Qty.	Rs.	Qty.	Rs.
	(Nos.)		(Nos.)	
Opening Stock	1043727	8175317	1011467	5142290
Purchases	17400	2326370	34260	2430983
Sales	34000	4462568	2000	187060
Closing Stock	1027127	6715424	1043727	8175317
Difference				
(Loss)/Profit in Shares Trading		676305		788474
& Changes in carrying amounts (Net)				

**g) Raw Materials Consumed**

	This Year		Previous Year	
	Qty.	Rs.	Qty.	Rs.
	(MT)		(MT)	
<b>(i) Cylinders Unit</b>				
LPG Sheet/Coil	3175.770	50456104	6385.915	87649036
HR Sheet/Coil	406.680	6680045	649.165	8353863
<b>ii) V &amp; R Unit</b>				
Brass Rod	81.385	6018583	137.579	10073189
Zinc Alloys	54.857	3422180	67.529	4519811
<b>iii) LP Gas &amp; others</b>				
		10443328		18224110
		<u>77020240</u>		<u>128820009</u>

**h) Value of raw materials, stores & spares consumed:**

	This Year		Previous Year	
	Rs.	%	Rs.	%
<b>i) Raw Material</b>				
Imported	-	--	-	-
Indigenous	77020240	100	128820009	100
	<u>77020240</u>	<u>100</u>	<u>128820009</u>	<u>100</u>
<b>ii) Stores &amp; Spares</b>				
Imported	-	-	-	-
Indigenous	18974226	100	25621759	100
	<u>18974226</u>	<u>100</u>	<u>25621759</u>	<u>100</u>

i) Expenditure in foreign currency :

	This Year (Rs.)	Previous Year (Rs.)
Travelling Expenses :	268325	198998
Director Foreign Travelling :	73175	--
Manpower Development Exp :	--	215109
Others :	4927	5002

29. Earning per share

	2002-03	2001-02
a) Net profit after tax available for equity Shareholders (Rs)	3918119	26557838
b) Number of Equity Shares of Rs.10/- each.	2241063	2241063
c) Basic & Diluted earning per share (Rs.)	1.74	11.85

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

I. **Registration Details**

Registration No.:	<b>2140</b>	State Code:	<b>17</b>
Balance Sheet date	<b>31.3.2003</b>		

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

Public Issue	<b>Nil</b>	Right Issue	<b>Nil</b>
Bonus Issue	<b>Nil</b>	Private Placement	<b>Nil</b>

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

Total Liabilities	<b>262105</b>	Total Assets	<b>262105</b>
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**Sources of Funds:**

Paid up Capital	<b>22399</b>	Reserve & Surpluses	<b>140546</b>
Secured Loans	<b>15298</b>	Unsecured Loans	<b>53503</b>
Deferred Tax Liability	<b>14435</b>	Trade deposits & Deferred Payment credits.	

**Application of funds:**

Net Fixed Assets ( Including revaluation)	<b>135208</b>	Investments	<b>23450</b>
Net Current Assets	<b>87523</b>	Misc. Expenditure	<b>NIL</b>
Accumulated Losses	<b>NIL</b>		

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

Production Value & Other income (Net)	<b>160746</b>	Total Expenditure	<b>156468</b>
Profit Before Tax	<b>4278</b>	Profit After Tax	<b>3918</b>
Earning per Share in Rs.:	<b>1.74</b>	Dividend %	<b>NIL</b>

**V. Generic name of Principal products**

i)	Item Code ( ITC Code)	<b>7311</b>
	Product Description	<b>LPG CYLINDERS</b>
ii)	Item Code ( ITC Code)	<b>2901</b>
	Product Description	<b>LP GAS</b>
iii)	Item Code ( ITC Code)	<b>8481</b>
	Product Description	<b>VALVES &amp; REGULATORS</b>

Note: Figures in brackets represent figures for previous year.

Signatures to Schedule 1 to 15 annexed to and forming part of Balance Sheet as at 31st March, 2003 and Profit & Loss Account for the year ended on that date.

As per our Report of even date attached.

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

sd/  
**(G.G.BAJORIA)**  
MANAGING DIRECTOR

Sd/-  
**(B.L.VERMA)**  
PARTNER

sd/-  
**(S.G.BAJORIA)**  
DIRECTOR

Place : Jaipur

Date : The 4<sup>th</sup> day of September , 2003



## **SECTION 212**

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

1. Name of the Subsidiary Company : RCCL Infrastructure Limited.
2. Statement of Holding Company's interest in Subsidiary Company : As on March 31, 2003  
As on 31.03.2003  
49400 Equity shares of Rs.10/- each : 98.80%
3. Financial Year of the Subsidiary ended on : Year ended 31<sup>st</sup> March 2003.
4. Net aggregate amount of Profit/ (Loss) of the Subsidiary as far as it concern the Holding Company  
(a) Dealt within the accounts of Rajasthan Cylinders & Containers Limited by way of dividend on the shares held in the subsidiary for the year ending 31.03.2003. : Nil  
(b) Not dealt within the accounts of Rajasthan Cylinders & Containers Limited .  
For the Year ended 31.03.2003 : Nil  
For the Previous financial years : Nil

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**Sd/-  
(G.G.BAJORIA)  
MANAGING DIRECTOR**

**sd/-  
(S.G.BAJORIA)  
DIRECTOR**

**RAJASTHAN CYLINDERS & CONTAINERS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2003**

	(RS. IN LACS.)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2002-03</b>	<b>2001-02</b>
Net profit before tax and extra ordinary items.	42.78	291.58
Adjustments for		
Depreciation	70.50	95.91
Interest	39.37	61.84
Loss on sale of fixed assets	0.00	1.26
Dividend income	(-) 0.12 (-)	0.02
Interest income	(-) 30.65 (-)	11.73
Profit/ loss on share dealing	(-) 6.76 (-)	7.88
Profit/ loss on Mutual Fund units	(-) 0.21 (-)	0.00
Bad debts written off	6.22	4.11
	-----	-----
<b>Operating profit before working capital changes</b>	<b>121.13</b>	<b>435.07</b>
Adjustments for		
Trade and other Receivables	647.51 (-)	596.57
Inventories	(-) 102.88	120.89
Trade and other Payables	(-) 222.45	15.34
	-----	-----
<b>Cash Generated from operations</b>	<b>443.31</b>	<b>-25.27</b>
Interest paid	(-) 39.37 (-)	61.84
Taxes paid	(-) 25.78 (-)	0.00
	-----	-----
Cash Flow before extra ordinary items	378.16	-87.11
	-----	-----
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>378.16</b>	<b>-87.11</b>
	-----	-----

**B) CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of Fixed Assets	(-) 15.91 (-)	59.34
Sale of Fixed Assets	0.00	3.50
Proceeds from sale of shares & units	69.83	1.87
Purchase of shares	(-) 178.41 (-)	24.31
Dividend received	0.12	0.02
Interest received	30.65	11.73
	-----	-----
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-93.72</b>	<b>-66.53</b>
	-----	-----

CONTD...

(2)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2003 (Contd..)  
(RS. IN LACS.)  
2002-03 2001-02

C) CASH FLOW FROM FINANCING ACTIVITIES

1) Proceeds from Bank borrowings	(-) 255.62	167.51
2) Proceeds from Unsecured Loans, Trade deposits	154.10	92.85
3) Proceeds from IDBI Loan Liability	(-) 110.00 (-)	110.00
4) Proceeds from Lease Finance Liabilities	4.45 (-)	1.42

NET CASH USED IN FINANCING ACTIVITIES	-207.07	148.94
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NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	77.37	-4.70
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Cash and Cash Equivalents (Opening Balance)	12.73	17.43
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Cash and Cash Equivalents (Closing Balance)	90.10	12.73
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On behalf of the board

sd/-  
(G.G.BAJORIA)  
MANAGING DIRECTOR

Place: Jaipur  
Date : The 4th Day of September, 2003

AUDITORS' REPORT

We have verified the above Cash Flow Statment of Rajasthan Cylinders and Containers Limited derived from the audited annual financial statement for the year ended 31st March, 2002 and 31st March, 2003 and found the same in agreement therewith.

for S.S.KOTHARI & CO.,  
CHARTERED ACCOUNTANTS

sd/-  
(B.L.VERMA)  
Partner

Place : Jaipur  
Date : The 4th Day of September, 2003