



Expo Gas Containers Limited



28th ANNUAL REPORT
2010-2011

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Board of Directors

Shri. Shaukatali S. Mewawala	-	Chairman & Managing Director
Shri. Bhagwan N. Bhardwaj	-	Non-executive Director
Shri. Vazirali G. Lokhandwala	-	Non-executive Director
Shri. Syed Abbas Ali	-	Non-executive Director
Shri. Hasanain S. Mewawala	-	Non-executive Director
Shri Sajjadhussein M. Nathani	-	Non-executive Director

Statutory Auditors

M/s Ketan N. Shah & Co.,
Chartered Accountants
503, Sai Leela Commercial Complex,
S. V. Road, Opp. Moksh Plaza,
Borivli (W), Mumbai – 400 092.

Bankers

The Saraswat Co-operative Bank Ltd.
SME, Vile Parle (East) Branch,
Bholanath CHS Ltd., Ground and First Floor,
Subhash Road, Vile Parle (East),
Mumbai – 400 057.

Registered Office

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

Works

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

Registrars and Share Transfer Agents

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

NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Shareholders of the Company will be held on Wednesday, the 21st September 2011 at 11.00 a.m. at the Registered Office of the Company at Expo House, 150, Sheriff Devji Street, Mumbai 400 003 to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vazirali G. Lokhandwala who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

By Order of the Board
For Expo Gas Containers Limited

Place : Mumbai
Dated : 27.07.2011

Sd/-
(S. S. Mewawala)
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Book will remain closed from Monday the 19th September 2011 to Wednesday the 21st September 2011 (Both days inclusive) for the purpose of Annual General Meeting.
3. Members are requested
 - (i) To bring their copy of Annual Report and Attendance Slip duly filled up and signed at the meeting.
 - (ii) To quote their folio / identification number in all correspondence with the Company or its Registrar and Share Transfer Agents.

- (iii) Members holding the shares in physical form are requested to notify immediately for change of their address to the Company or its Registrar and Share Transfer Agents.

AND

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

Details of Directors retiring by rotation and seeking reappointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of the Director	Mr. Vazirali G. Lokhandwala
Date of Birth	13.09.1957
Date of Appointment	11.07.2008
Qualification	B. Com
Directorship held in Indian Public Companies as on 31.03.2011	NIL
Committee positions held in Indian Public Companies as on 31.03.2011	NIL
Number of Shares held in the Company	NIL

By Order of the Board
For Expo Gas Containers Limited

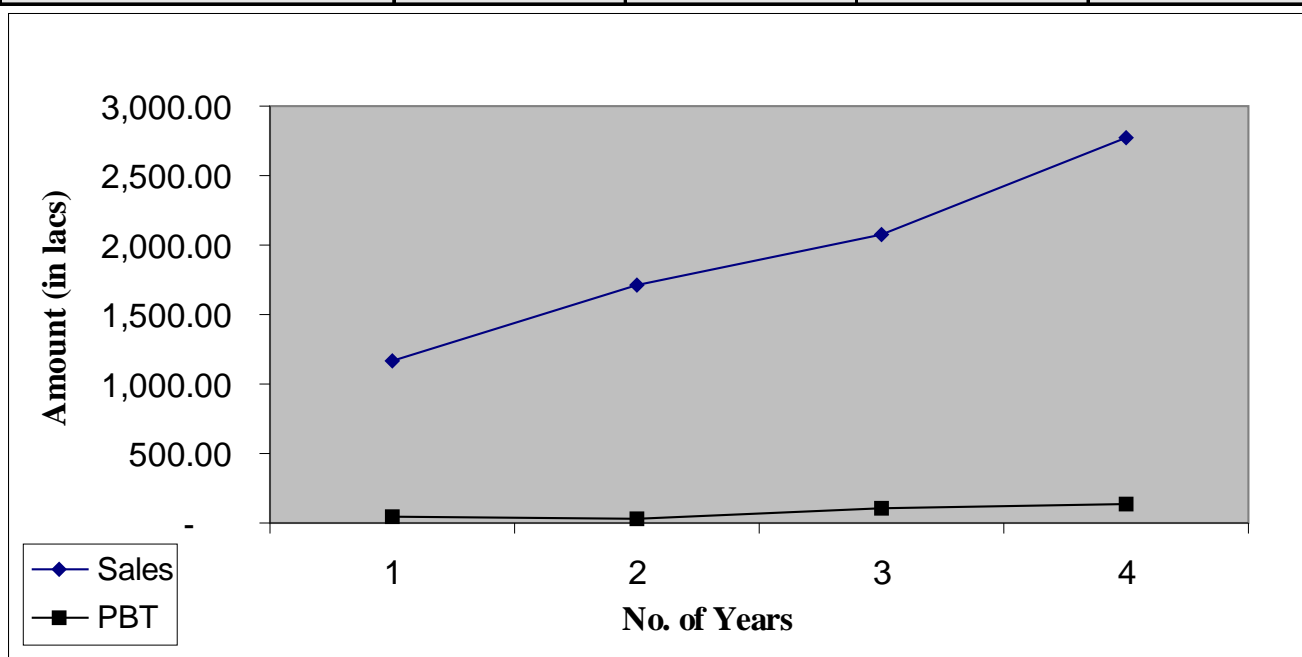
Place : Mumbai
Dated : 27.07.2011

Sd/-
(S. S. Mewawala)
Managing Director

FINANCIAL HIGHLIGHTS

(Rs in lacs)

PARTICULARS	2006-08 (18 months)	2008-09	2009-10	2010-11
Sales	1,166.79	1,719.33	2,077.32	2,765.89
EBIDTA	132.32	74.17	350.80	468.54
EBIDTA (%)	11.34	4.31	16.89	16.94
PBT	42.33	24.49	104.59	140.26
PBT (%)	3.63	1.42	5.04	5.07
PAT	(64.41)	37.53	48.87	228.46
PAT (%)	(5.52)	2.18	2.35	8.26
Debt	2,204.10	1,024.53	1,366.16	2,003.26
Net Worth	421.69	571.73	958.09	1,186.55
Debt / Equity Ratio	5.23	1.79	1.43	1.69



DIRECTORS' REPORT

To,
The Members

Your Directors present herewith Twenty Eighth Annual Report together with audited statement of accounts for the year ended 31st March 2011.

FINANCIAL RESULTS

Rs in Lacs

Particulars	As on 31.03.2011	As on 31.03.2010
Profit before Depreciation and Interest	468.53	350.79
Less: - Interest	253.72	179.47
Less: - Depreciation	74.56	66.73
Net Profit before Tax	140.26	104.59
Less: - Tax		
- Current tax	27.81	16.16
- Earlier Year Tax	(6.52)	-
- Deferred Tax Liabilities / (Assets)	(109.49)	39.57
Net Profit after Tax	228.46	48.86
Profit brought forward	51.30	2.43
Balance Carried to Balance Sheet	279.76	51.30

CURRENT YEAR

During the year under review, your Company achieved turnover of Rs. 27.72 Crores against Rs. 20.84 Crores in the previous year. This is about 33% growth. The profits before extra ordinary income also increased from about Rs. 104.59 Lacs to Rs. 140.26 Lacs. During the year, your company successfully executed extra large sized jobs for MRPL and BCPL.

OPPORTUNITY AND FUTURE OUTLOOK

Indian economy is expected to grow during current financial year at slower but still healthy rate of 7.5 to 8%. The inflation is running at a high level, due to several factors including high commodity prices, supply side constraints in the economy and rapid increase in consumption. The RBI has been raising interest rates to control the demand. However this has not been successful. The cost of funds is rising and this may slow down the investments by industrial sector resulting in lower growth rate of economy.

The recent uncertainties and developments globally including expected slow down in US and Europe is also a cause of concern. The possibility of adverse effect on Asian economies including on China can further slow down growth in India. However, it may result in reduction in prices of crude oil and commodities. This can help in reduction in inflation in India, which can create possibilities of lowering of interest rates.

Improved infrastructure sector will play an important role in removal of many constraints in growth of all the three segments of the economy viz. agriculture, industry and services in the years to come. Your company is supplying equipment to several projects coming up in hydrocarbon, power, refining and petrochemical, fertilizer and process industry. It is expected that new investments in these sectors will continue to grow and your company will benefit from the same.

The Company is also working actively with reputed Companies like L&T, Samsung, Toyo Engineering, BPCL, HPCL etc. We are confident that your Company will be able to show healthy growth in the current year and have substantial order book position at the end of current financial year. At present, the Company has healthy order position of over Rs. 40 crores.

The Company is also exploring and pursuing orders for site construction activities as well as overseas business.

DIVIDEND

To conserve the resources your Directors do not recommend any dividend for the year ended 31st March 2011.

DEPOSITS

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

DIRECTORS

Mr. Vazirali G. Lokhandwala retires by rotation and being eligible offer himself for reappointment. Except this there are no other changes in the Directors of the Company.

AUDITORS

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

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

CONVERSION OF WARRANT

The Company had allotted 45,00,000/- Convertible Warrants to be converted at the option of the holder into one equity share of Rs. 10/- each in accordance with the SEBI Guidelines and approval of shareholders in the Extra-ordinary General Meeting held on 2nd March, 2009. Further, the shareholders of the Company at their meeting held on 11th June, 2009 reduced the face value of the equity shares from Rs. 10/- per share to Rs. 4/- per share and the same was sanctioned by the Hon'ble Bombay High Court vide its order dated August 11, 2009. On May 18, 2010 considering the

reduction in face value of the equity shares from Rs. 10/- to Rs. 4/- and exemption granted to the Acquirer from Takeover Regulations of SEBI, the Company converted the above 45,00,000 warrants of Rs. 10/- each into 1,12,50,000 Equity Shares of Rs. 4/- each. The Company made the application to the BSE on May 26, 2010 for listing of 1,12,50,000 equity shares of Rs. 4/- each issued to the promoter group company. However, at the meeting of the BSE Committee held on April 28, 2011 the Committee rejected the above listing application vide letter No. DCS/PREF/SI/PREF/201/2011-12. The Company has made re-application to SEBI.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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

FORM – A

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

Power and Fuel Consumption		Current year 31.03.2011	Previous Period 31.03.2010
1)	<u>Electricity</u>		
	Purchase Unit (KWH)	4.28	2.86
	Total Amount (Rupees in lacs)	27.58	18.12
	Rate per Unit (Rupees)	6.44	6.34
2)	Coal	N.A.	N.A.
3)	Furnace Oil	N.A.	N.A.
4)	Internal Generation	N.A.	N.A.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

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

FOREIGN EXCHANGE EARNING AND OUTGO

	<i>Rs. in Lacs</i>
i) <i>CIF Value of Imports</i>	113.18
ii) <i>Expenditure in foreign currency</i>	0.88
iii) <i>Foreign Exchange earned</i>	NIL

PARTICULARS OF EMPLOYEES

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

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled “**Report on Corporate Governance**” for the year ended 31.03.2011 has been annexed in this Annual Report.

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

The Directors state that: -

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation by way of notes to accounts relating to material departures;
- b) The selected accounting policies were applied consistently and the judgments and estimates made by them are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March 2011 and of the profit for the year ended on that date;
- c) The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENT

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

Place : - Mumbai
Dated : - 27.07.2011

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

Sd/-
(S. S. Mewawala)
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company's endeavor is to maximize shareholder value. Expo is committed to adopt the best governance practices and its adherence in true spirit at all times. It has strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a code of conduct which is applicable to all employees. The Company also has in place a code for preventing insider trading.

The Company is fully compliant with the requirements of the listing agreements and applicable corporate governance norms and is committed to ensuring compliance with all modifications within the prescribed time.

Composition and Category of Directors

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

During the year under review 01.04.2010 to 31.03.2011, 7 (Seven) Board Meetings were held as under to deliberate on various matters.

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	30.04.2010	5.	17.08.2010
2.	19.05.2010	6.	30.10.2010
3.	01.06.2010	7.	10.02.2011
4.	31.07.2010		

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

Name of Director	No. of Board Meeting attended	Attendance at Last Annual General Meeting	Category of Director	Other Directorships in Public Co.	No. of Chairmanship / Membership of Board Committee in other Company	
					Chairman	Member
Mr. S. S. Mewawala	07	Yes	CMD / P	No	N.A.	N.A.
Mr. Bhagwandas Bhardwaj	07	No	NED / I	No	N.A.	N.A.
Mr. Syed Abbas Ali	07	Yes	NED/ I	No	N.A.	N.A.
Mr. Vazirali G. Lokhandwalla	01	Yes	NED/ I	No	N.A.	N.A.
Mr. Hasanain Mewwala	07	Yes	NED/ P	No	N.A.	N.A.
Mr. Sajjadhussein Nathani	07	Yes	NED/ I	No	N.A.	N.A.

Note: -

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

Board Agenda

Meetings are governed by structured Agenda. The Board Members in consultation with the Chairman may bring up any matter for the consideration before the Board. Agenda working papers are circulated to the members of the Board at least seven working days prior to the date of the Board Meeting.

There is also a system of post meeting follow up, review & reporting process of the action /pending on decisions of the Board or its committee till the final implementation stage.

Committees of the Board

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

1. Audit Committee**i.) Terms of Reference**

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

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

ii.) Composition

The Audit Committee comprises at present of three Directors viz. Shri. Bhagwan N. Bhardwaj, Shri. Sajjadhussein M. Nathani and Shri. Vazirali G. Lokhandwala.

During the year from 01.04.2010 to 31.03.2011 the Committee met four times as under to deliberate on various matters as per terms of reference and attendance of the Members at the Meeting was as under: -

Sr. No.	Date of Audit Committee Meeting
1.	30.04.2010
2.	31.07.2010
3.	30.10.2010
4.	10.02.2011

Name of the Member	Status	No. of Meetings attended
Mr. Bhagwan N. Bhardwaj	Chairman	4
Mr. Vazirali G. Lokhandwalla	Member	4
Mr. Sajjadhussein M. Nathani	Member	4

2. Remuneration Committee

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

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

I.) Remuneration Policy

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

II.) Remuneration of Directors

Details of Remuneration paid to the Directors for the year ended 31.03.2011

Name of Director	Category	Sitting fees for Board & Committee meetings	Salaries & Perquisites
Shri. S. S. Mewawala	Executive	--	12,00,000
Shri. B.N. Bharadwaj	Non-Executive & Independent	--	--
Shri. Syed Abbas Ali	Non- Executive & Independent	--	--
Shri Vazirali G. Lokhandwalla	Non- Executive & Independent	--	--
Shri Hasanain S. Mewawala	Non- Executive	--	--
Shri. Sajjadhussein M. Nathani	Non- Executive & Independent	---	--

3. Share Transfer & Investors Grievance Committee.

I.) Terms of Reference

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

Sr. No.	Nature of Complaints received during the year 01.04.2010 to 31.03.2011	No. of Complaints	
		Received	Resolved
1	Non-receipt of Share Certificate duly transferred/ transmitted	Nil	Nil
2	Non-receipt of dividend warrants	Nil	Nil
3	Non-receipt of Demat Confirmation	Nil	Nil
4	Non-receipt of Annual Report	Nil	Nil
5	Non-receipt of Duplicate Share Certificate	Nil	Nil
6	Grievance Received through SEBI / Stock Exchanges	03	03

There is no Investor's Grievance pending as on 31st March 2011.

II.) Composition

The Committee comprises of Managing Director & two Independent Directors viz. Shri. Bhagwan Bharadwaj (Chairman), Shri. Shaukatali S. Mewawala and Shri. Syed Abbas Ali. Now with the appointment of Mr. Sajjadhussein Nathani he was inducted as a member of Investor Grievance Committee in place of Mr. Syed Abbas Ali. The minutes of the Shareholders/Investors Grievance Committee meetings are circulated to the Board, and are discussed and taken note of by the Board.

lii.) The Details of the Shareholders/Investors Grievance Committee meeting held during the year 01.04.2010 to 31.03.2011

Date of the Meeting	Committee strength	No of committee members attended
15.04.2010	3	3
15.05.2010	3	3
15.06.2010	3	3
15.07.2010	3	3
31.07.2010	3	3
14.08.2010	3	3
31.08.2010	3	3
15.09.2010	3	3
25.09.2010	3	3
15.10.2010	3	3
15.11.2010	3	3
30.11.2010	3	3
15.12.2010	3	3
31.12.2010	3	3
31.01.2011	3	3
15.02.2011	3	3

General Body Meetings: -

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

Year	AGM/EGM	Date	Time	Venue
2006-2008	AGM	12.09.2008	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.
2009	EGM	02.03.2009	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.
2009	EGM	11.06.2009	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.
2008-2009	AGM	30.09.2009	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.
2009-2010	AGM	29.09.2010	11.00 A. M.	150, Sheriff Devji Street, Mumbai 400 003.

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

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

No Special Resolution was passed at the 26th & 27th Annual General Meeting of the Company. At the 25th Annual General Meeting one Special Resolution was passed for the Preferential issue of the 45,00,000 Convertible warrants but the same was subsequently was not acted upon.

Disclosures:-

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

Means of communication

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

Code of Conduct

The Company has a code of conduct adopted by the Board of Directors and is applicable to Directors, senior management and employees of the Company.

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

General Shareholder Information: -
Annual General Meeting

Year ended	Date	Time	Venue
2010-11	21.09.2011	11.00	Expo House, 150, Sheriff Devji Street, Mumbai-400 003.

Tentative Financial Calendar: -

Particulars	Date
Un-audited financial Results for the quarter ending 30.06.2011	On or before 15.08.2011
Un-audited financial Results for the quarter ending 30.09.2011	On or before 15.11.2011
Un-audited financial Results for the quarter ending 31.12.2011	On or before 15.02.2012
Un-audited financial Results for the quarter ending 31.03.2012	On or before 15.05.2012

Dates of Book Closure:

Monday, 19th September 2011 to Wednesday, 21st September 2011 (both days inclusive).

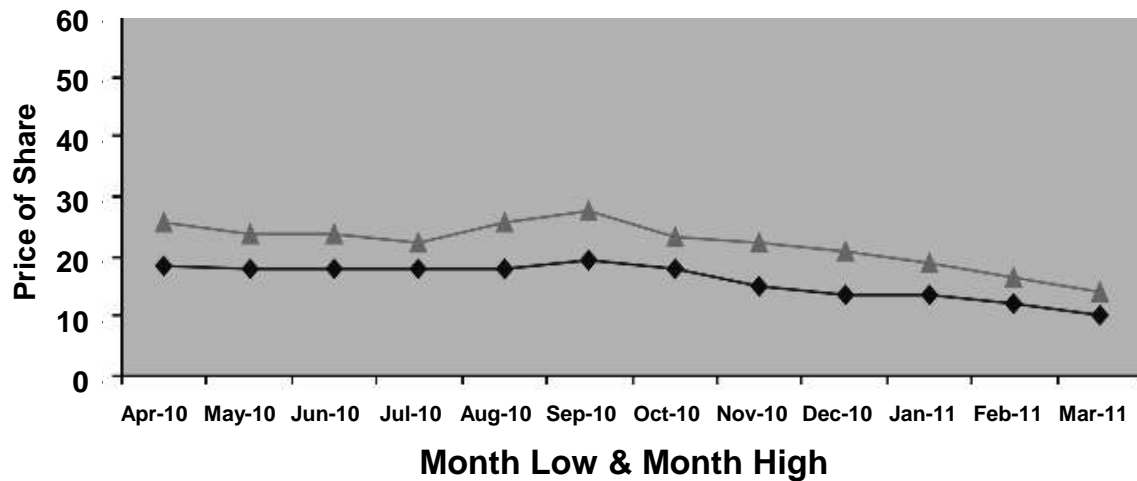
Listing Details:

The Company is listed only with **Bombay Stock Exchange** having stock code number as 526614. The Company has paid the Annual Listing Fees to Bombay Stock Exchange for the year 2010-11.

Market price Data:
High/Low during each month for the year ended 31st March 2011

Month	Mumbai Stock Exchange		
	Month's High (Rs.)	Month's Low (Rs.)	No of Shares traded
April 2010	25.50	18.45	24,01,915
May 2010	23.70	18.10	6,03,181
June 2010	23.60	17.90	7,31,879
July 2010	22.15	18.10	4,81,826
August 2010	25.80	18.10	15,71,237
September 2010	27.70	19.55	35,55,915
October 2010	23.15	18.00	8,84,992
November 2010	22.35	15.00	4,41,715
December 2010	21.00	13.45	5,13,573
January 2011	19.05	13.35	2,80,335
February 2011	16.40	12.00	1,94,230
March 2011	13.89	10.00	2,31,407

High/Low Price chart



Registrar and Share Transfer Agents: -

Adroit Corporate Services Pvt. Ltd.

Contact Person: - Shri. S. Shetty
 19, Jaferbhoy Industrial Estate, 1st Floor,
 Makwana Road, Marol Naka, Andheri (E)
 Mumbai - 400 059
 Tel No: 28594442, 28594428 Fax No: 28503748

Share Transfer System:

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

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

Shareholding Pattern as on 31-03-2011

Sr. no.	Name	No. of shares	% of paid up capital
1	Promoters, Relatives and Person acting in concert	12820875	67.35
2	Foreign Institutional Investors	0	0.00
3	Financial Institutions & Banks	0	0.00
4	NRI	115801	0.61
5	Mutual Funds and UTI	400	0.00
6	Private Corporate Bodies	689756	3.62
7	Public and others	5409568	28.42
	TOTAL	19036400	100.00

Distribution of Shareholding as on 31-03-2011

Shareholding of Nominal Value (Rs.)	No. of Shareholders		No. of Shares	
	Total	% of shareholders	Total	% of share capital
Upto 500	7549	82.47	1336468	7.02
501 to 1000	795	8.68	701254	3.68
1001 to 2000	385	4.21	623966	3.28
2001 to 3000	138	1.51	362681	1.91
3001 to 4000	64	0.70	236134	1.24
4001 to 5000	63	0.69	305014	1.60
5001 to 10000	78	0.85	607655	3.19
10001 to 999999	82	0.90	14863228	78.08
Grand Total	9154	100.00	19036400	100.00

Dematerialization of Shares

As on 31.03.2011, out of 1,90,36,400 shares of the Company, 71,22,445 shares, which constitute 37.41 % of share capital of the Company stands dematerialized. Out of total 1,90,36,400 shares 1,12,50,000 shares are not listed. Listing application is pending.

Description	ISIN NO	Depositories
Fully paid	INE561D01025	1. National Securities Depository Ltd. (NSDL) 2. Central Depository Services (India) Ltd. (CDSL)

Plant Location: -
Expo Gas Containers Limited
 A/10, MIDC, Murbad,
 Dist. Thane 421 401

Address for Correspondence: -

For Investor Correspondence: -

Expo Gas Containers Limited
 Expo House, 150 Sheriff Devji Street,
 Mumbai – 400 003

 Tel: - 40339600
 Fax : 23401635

Registrar and Share Transfer Agents: -
 Adroit Corporate Services Pvt. Ltd.
 19,Jaferbhoy Industrial Estate,
 1st Floor, Makwana Road, Marol Naka,
 Andheri (E), Mumbai - 400 059.
 Tel No:- 28594442, 28594428
 Fax No:- 28503748

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

To
The Members of
Expo Gas Containers Limited

We have examined the compliance of conditions of Corporate Governance by Expo Gas Containers Limited ("the Company") for the year ended on 31st March 2011 as stipulated in clause 49 of the listing agreement of the company with the stock exchanges.

The compliance of conditions of the corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company, for ensuring the compliance of the conditions of the corporate governance. It is neither an auditor nor an expression of opinion on the financial statements of the company.

In our opinion & to the best of the information & according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned listing agreement.

We state that in respect of investor grievances received during the year ended 31st March 2011, no investor grievances are pending for a period of exceeding one month except where disputed or subjudice as per the records maintained by the Company and presented to the shareholders/ investor Grievance committee.

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

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

Place: Mumbai
Dated: 27.07.2011

(K. N. SHAH)
Proprietor

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Indian Economy

Fiscal 2010-11 (FY'11) was a mixed year for the Indian economy. The economy began the year on a confident note with high growth which however tapered off towards the closing of the year. Thus, the GDP grew by 9.3% in the first quarter of the fiscal year (April-June 2010) which dropped to 7.8% in the last quarter accompanied by a steep drop in investment levels. The biggest threat to the growth performance of the Indian economy was the rising inflation. Faced with the persistent rise in prices, the Reserve Bank of India raised the interest rates 11 times between March 2010 and July 2011. These calibrated steps, along with expectations of a normal monsoon are expected to have a moderating influence on inflation even though the year was marked by rising prices mainly of food items; it spilled over into the rest of the economy, with commodities and manufactured goods prices also showing upward trend. The inflationary pressures in India are being fed mainly by supply shortages as well as external factors such as a sharp increase of global crude prices and other commodities.

The recent developments in US and Europe of slow down of economies and possibility of recession are cause of concern for our growth as well. However possibility of the global slow down resulting in lower crude oil and commodity prices may help in containing domestic inflation. This give rise to hope of lowering of interest rates and therefore, resumption of investment cycle.

Industry Structure and Developments

The fiscal 2008-09 was a year in which the world went through economic upheavals, affecting growth, demand and new investments. Now the Indian economy is back on growth path. Especially the latter half of fiscal 2009-10 was driven by an extra ordinary level of co-ordinated international action in the form of policy stimulus, monetary as well as fiscal. As a result the industrial growth made rapid strides, registering a double digit increase in the second half of financial year 2010.

However given the poor monsoon and rise in the global commodity prices inflation has risen sharply since November 2009 and the same is a key challenge for the policy makers in the near term.

Outlook

The future scenario offers both challenges and opportunities. Your company

supplies equipment and operates in oil and gas, refining and petrochemical, fertilizer, power and process industries. With expected higher growth rate of economy in the years ahead, these sectors will also see sizable investments in creating new capacities, thereby opening up new opportunities for company like yours. India has also emerged as exporter of process plant equipments and with new projects in Gulf and Africa, there are good prospects internationally also. Barring unforeseen developments, your company should also continue to grow at a reasonably high rate in the foreseeable future.

Threat

With globalization the Company cannot remain isolated and international developments affects your Company also. If the western economies do not start recovering as expected the growth of the Company will also be difficult. The high cost of funds and tight liquidity can also have adverse effect on operations of your company. Ability of oil and gas sectors to generate adequate surplus, in view of the administered prices, can also adversely affect the investment plans of these companies.

Material Developments in Human Resources/ Industrial Relations:

In a growing economy, there is always demand for more skilled and able workforce. The ability to recruit and retain talent is a challenge for managements of all growing companies. Your management is aware of the same and taking necessary steps to not only recruit new manpower, but train and retain the existing one. The Company also recruits trainee engineers and prepares them for more responsibilities in the times to come.

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

Quality System:

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

Internal Control System

The Company maintains adequate internal control systems, which provide among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of

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

Safety, Health and Environment

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

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

The company proposes to go for OSHAS certification in future.

Cautionary Statement:

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

AUDITORS' REPORT

To
The Members,
Expo Gas Containers Limited

1. We have audited the attached Balance Sheet of **EXPO GAS CONTAINERS LIMITED**, as at 31st March, 2011 and the related Profit and Loss Account for the year ended on that date annexed thereto which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test check basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditors' Report) Order, 2003 issued by Central Government of India in terms of Section (4A) of Section 227 Companies Act, 1956, on the basis of such checks of the books and records of company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of books.

- c) In our opinion, the Balance Sheet and Profit and Loss account dealt with by the report are in agreement with the books of accounts.
- d) On the basis of written representation received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of Clause (g) of sub section (i) of Section 274 of the Act.
- e) In our opinion, subject to accounting treatment in respect of transactions discussed in the notes to the accounts (Schedule U) viz: Note No:- 13 regarding non-provision of leave encashment and gratuity liability the amount of which is unascertainable, the Balance Sheet and Profit and Loss Account dealt with by this Report are in compliance with the accounting standards referred to in section 211(3C) of the Companies Act, 1956 in so far as they apply to the Company.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached statements together with the notes thereon and attached thereto, given in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India.
1. In the case of the Balance sheet of the state of affairs of the company as at 31st March, 2011.
 2. In the case of the Profit and Loss Account, of the profit for the year ended on that date.

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

Place : Mumbai
Dated : 27.07.2011

(K. N. SHAH)
Proprietor

ANNEXURE TO AUDITOR'S REPORT**(REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF EXPO GAS CONTAINERS LIMITED ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011)**

- 1
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion frequency of verification is reasonable.
 - (c) In our opinion, a substantial part of fixed assets has not been disposed off by the company during the year.

- 2
 - (a) Inventory has been physically verified by the management during the year. In our opinion frequency of verification is reasonable.
 - (b) In our opinion, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

- 3 The Company has taken unsecured loans from Companies, firms and other parties covered in the Register maintained under section 301 of the Act. The rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company.

- 4 In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, we have

not observed any continuing failure to correct major weaknesses in the aforesaid internal control procedures.

- 5 a) In our opinion and according to the information and explanations given to us, transactions that need to be entered into the register in pursuance of section 301 of Act have been entered in the said Register.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Act have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 The Company has not accepted any deposits from the public within the meaning of section 58AA of the Act and the rules framed there under.
- 7 In our opinion, the Company has no internal audit system at present we are given to understand that the company is in the process of appointing the suitable person.
- 8 The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (i) of Section 209 of the Act for any of the products of the Company.
- 9 (a) According to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax and other material statutory dues as applicable with the appropriate authorities in India.
- (b) According to the records of the Company examined by us, there are no dues of sales tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at 31st March, 2011 and has not incurred cash losses in the financial year under report or in the immediately preceding financial year.
11. As at the Balance Sheet date, the Company does not have any dues to any debenture holders.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
13. The provision of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. In our opinion, the Company is not dealer or trader in shares, securities, debentures and other investments.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. The Company has received additional credit facility such as CC & BG from bank during the year.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short-term basis which have been used for long-term investment, and vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures.
20. The Company has converted warrants into equity shares during the year but the same are not listed on BSE.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, We have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For Ketan N. Shah & CO.,
Chartered Accountants

Place : Mumbai
Dated : 27.07.2011

(K. N. SHAH)
Proprietor

EXPO GAS CONTAINERS LTD.
BALANCE SHEET AS AT 31st MARCH, 2011

	<u>SCH</u>	As at <u>31st Mar. 2011</u>	As at <u>31st Mar. 2010</u>
I SOURCES OF FUNDS :			
<u>SHAREHOLDERS' FUNDS</u>			
(a) Share Capital	A	76,145,600	31,145,600
(b) Reserves & Surplus	B	42,509,775	19,663,644
(c) Warrant Application Money		-	45,000,000
		118,655,375	95,809,244
<u>LOAN FUNDS</u>			
(a) Secured	C	109,155,908	83,586,372
(b) Unsecured	D	91,169,708	54,699,485
		200,325,616	138,285,857
TOTAL FUNDS EMPLOYED		318,980,991	234,095,101
II APPLICATION OF FUNDS			
1 <u>FIXED ASSETS</u>			
(a) Gross Block	E	194,156,300	182,762,374
(b) Less: Depreciation		98,767,321	91,337,528
(c) Net Block		95,388,979	91,424,846
2 <u>INVESTMENTS</u>		25,000	25,000
3 <u>CURRENT ASSETS, LOANS & ADVANCES</u>			
(a) Inventories	F	99,540,692	58,262,170
(b) Sundry Debtors	G	143,425,806	78,166,987
(c) Cash and Bank Balances	H	9,337,059	10,458,862
(d) Loans and Advances	I	15,006,444	20,619,914
		267,310,001	167,507,933
4 <u>CURRENT LIABILITIES AND PROVISIONS</u>			
(a) Sundry Creditors	J	80,708,399	53,369,746
(b) Provisions	K	10,601,464	8,110,226
		91,309,863	61,479,973
NET CURRENT ASSETS		176,000,139	106,027,960
DEFERRED TAX ASSET	L	47,566,873	36,617,295
TOTAL ASSETS(NET)		318,980,991	234,095,101
Notes forming Part of the Accounts	U		

As per our report attached

KETAN N. SHAH & CO.
(Chartered Accountants)

(K.N.SHAH)
(Proprietor)
Place: Mumbai
Date: 27.07.2011

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)
Place: Mumbai
Date: 27.07.2011

S.M. NATHANI
(Director)
Place: Mumbai
Date: 27.07.2011

EXPO GAS CONTAINERS LTD.
PROFIT & LOSS A/C FOR THE YEAR ENDED 31st MARCH, 2011

	SCH	For The Year Ended 31st Mar. 2011	For The Year Ended 31st Mar. 2010
1. INCOME :			
(a) Sales	M	276,589,281	207,731,829
(b) Other Income	N	568,122	702,122
		277,157,403	208,433,951
Increase/(Decrease) in Stocks	O	34,611,347	14,323,258
		311,768,750	222,757,209
2. EXPENDITURE :			
(a) Raw Material Consumed	P	132,845,719	87,500,010
(b) Manufacturing Expenses	Q	92,188,799	57,758,445
(c) Employees Costs	R	25,746,217	24,046,560
(d) Other Expenses	S	14,134,417	18,372,576
		264,915,152	187,677,591
3. PROFIT BEFORE DEPRICIATION & FINANCIAL EXP		46,853,598	35,079,618
Financial Expenses	T	25,371,595	17,947,316
4. PROFIT BEFORE DEPRICIATION		21,482,004	17,132,302
Depreciation		7,456,118	6,672,924
5. PROFIT BEFORE TAX		14,025,886	10,459,378
6. PROVISION FOR TAXATION (NET)			
Current Tax		2,780,982	1,615,974
Earlier Year Tax		(651,650)	
Deferred Tax		(10,949,578)	3,956,746
7. PROFIT AFTER TAX		22,846,131	4,886,658
8. PROFIT B/F FROM PREVIOUS YEAR		5,130,040	243,382
9. PROFIT AVAILABLE FOR APPROPRIATION		27,976,171	5,130,040
BALANCE CARRIED FORWARD		27,976,171	5,130,040
TOTAL		27,976,171	5,130,040
Notes forming Part of the Accounts	U		

As per our report attached
KETAN N. SHAH & CO.
(Chartered Accountants)

(K.N.SHAH)
(Proprietor)
Place: Mumbai
Date: 27.07.2011

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)
Place: Mumbai
Date: 27.07.2011

S.M. NATHANI
(Director)
Place: Mumbai
Date: 27.07.2011

SCHEDULES FORMING PART OF BALANCE SHEET

	As at 31st March 2011	As at 31st March 2010
<u>Schedule "A": SHARE CAPITAL</u>		
<u>Authorised</u> 20,000,000 Equity Shares of Rs. 4/- each	80,000,000	80,000,000
<u>Issued, Subscribed & Paid up</u> 1,90,36,400 Equity Shares of Rs. 4/- each	76,145,600	31,145,600
1) The Capital has been reduced from Rs. 77,864,000/- comprising of 7,786,400 equity shares of Rs. 10/- each to Rs. 31,145,600/- comprising of 7,786,400 equity shares of Rs. 4/- each.		
2) During the year 45,00,000 warrants has been converted into 1,12,50,000 equity shares of Rs. 4/- each making the total capital to Rs. 76,145,600/- comprising of 1,90,36,400 equity shares of Rs. 4/- each		
	76,145,600	31,145,600
<u>Schedule "B": RESERVES AND SURPLUS</u>		
Capital Reserve	4,236,400	4,236,400
Securities Premium	10,297,205	10,297,205
Profit & Loss Account	27,976,170	5,130,040
	42,509,775	19,663,645
<u>Schedule "C": SECURED LOANS</u>		
The Saraswat Co-operative Bank Ltd (Term Loan)	21,396,835	34,865,418
The Saraswat Co-operative Bank Ltd (Term Loan II)	8,023,329	5,514,587
The Saraswat Co-operative Bank Ltd (Term Loan III)	8,626,244	8,653,884
The Saraswat Co-operative Bank Ltd (Cash Credit A/c)	71,109,500	34,552,483
Note: 1. The Saraswat Co-operative Bank Ltd. - Term Loans are secured against movable and immovable properties.		
2. The Saraswat Co-operative Bank Ltd - Cash Credit are secured against Hypothication of stock and debtors.		
	109,155,908	83,586,372
<u>Schedule "D": UNSECURED LOANS</u>		
From Others	91,169,708	54,699,485
	91,169,708	54,699,485
<u>Schedule "F": INVENTORIES</u> (As Certified by Management)		
Stores And Spares	10,121,686	4,012,705
Raw Materials	9,594,023	9,035,830
Work in process	79,824,983	45,213,636
	99,540,692	58,262,170

EXPO GAS CONTAINERS LTD.
SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE 'E': FIXED ASSETS

Sr. No.	Particulars	(GROSS BLOCK)			(DEPRECIATION)			(NET BLOCK)			
		As on 01.04.2010	Addition	Sale	31.03.2011	Uptil 31.03.2010	For the Year	Adjustment	Uptil 31.03.2011	As on 31.03.2010	As on 31.03.2011
1	LAND	1,763,100	-	-	1,763,100	-	-	-	-	1,763,100	1,763,100
2	FACTORY SHED	93,056,123	1,982,831	-	95,038,954	3,158,796	-	3,158,796	43,799,577	51,239,376	52,415,342
3	FURNITURE & FIXTURES	1,517,585	-	-	1,517,585	74,450	-	74,450	1,353,261	164,324	238,774
4	VEHICLES	535,746	361,658	361,658	535,746	77,222	(26,326)	178,135	178,135	357,611	408,507
5	SPARES TOOLS & DIES	5,708,398	-	-	5,708,398	255,259	-	255,259	4,592,475	1,115,923	1,371,182
6	PLANT & MACHINERY	72,840,385	8,588,003	-	81,428,388	3,636,029	-	3,636,029	42,882,357	38,546,031	33,594,057
7	ELECTRICAL INSTALLATION	3,388,878	-	-	3,388,878	112,511	-	112,511	2,954,750	434,128	546,639
8	OFFICE EQUIPMENT	1,580,468	642,120	-	2,222,588	79,578	-	79,578	1,000,543	1,222,045	659,503
9	COMPUTERS	2,371,692	180,972	-	2,552,664	62,274	-	62,274	2,006,223	546,441	427,743
	TOTAL	182,762,374	11,755,584	361,658	194,156,300	7,456,118	(26,326)	7,456,118	98,767,321	95,388,979	91,424,846
	PREVIOUS YEAR	162,308,987	20,453,387	-	182,762,374	6,672,924	-	6,672,924	91,337,528	91,424,846	77,644,383

	As at 31st March 2011	As at 31st March 2010
<u>Schedule "G": SUNDRY DEBTORS</u>		
(Unsecured and considered good but subject to confirmation)		
Debts Over six months	19,726,427	22,681,451
Other Debts	123,699,379	55,485,536
	143,425,806	78,166,987
<u>Schedule "H": CASH AND BANK BALANCES</u>		
Cash in hand	201,495	80,832
With Scheduled Banks on Current Account	(1,721,430)	1,220,930
Fixed Deposit with Banks	10,856,994	9,157,100
	9,337,059	10,458,862
<u>Schedule "I": LOANS AND ADVANCES</u>		
Advances recoverable in Cash or kind or for value to be received	3,602,140	3,151,880
Others	11,404,305	17,468,034
	15,006,444	20,619,914
CURRENT LIABILITIES & PROVISIONS		
<u>CURRENT LIABILITIES</u>		
<u>Schedule "J": SUNDRY CREDITORS</u>		
For Goods & Expenses	80,708,398	46,523,811
Advance from Customers		6,845,935
	80,708,398	53,369,746
<u>Schedule "K": PROVISIONS</u>		
Provisions	10,601,464	8,110,226
	10,601,464	8,110,226
<u>Schedule "L": DEFERRED TAX ASSETS</u>		
Opening of Deferred Tax	36,617,295	40,574,041
Less: Transferred from Profit & Loss accounts	(10,949,578)	3,956,746
	47,566,873	36,617,295

EXPO GAS CONTAINERS LTD.
SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	For The Year Ended 31st Mar. 2011	For The Year Ended 31st Mar. 2010
<u>Schedule "M": SALES</u>		
Contracts	47,477,517	57,800,784
Pressure Vessels	228,580,326	149,527,191
Scrap	531,438	403,855
	276,589,281	207,731,829
<u>Schedule "N": OTHER INCOME</u>		
Interest from Bank	522,170	571,766
Dividend Income	1,667	-
Interest from Income-tax	44,285	100,536
Interest from other than Bank	-	29,820
	568,122	702,122
<u>Schedule "O": INCREASE/DECREASE IN STOCK</u>		
Opening Stocks		
Work In Progress	45,213,636	30,890,378
	45,213,636	30,890,378
Less : Closing Stocks		
Work In Progress	79,824,983	45,213,636
	79,824,983	45,213,636
	34,611,347	14,323,258
Increase/Decrease in Stock		
<u>Schedule "P": RAW MATERIAL CONSUMED</u>		
Opening Stock		
Raw Material	9,035,830	4,777,964
A	9,035,830	4,777,964
Add : Purchases	B	91,757,876
133,403,913		
Less : Closing Stock		
Raw Material	9,594,023	9,035,830
C	9,594,023	9,035,830
A+B-C	132,845,719	87,500,010

	For The Year Ended 31st Mar. 2011	For The Year Ended 31st Mar. 2010
<u>Schedule "Q": MANUFACTURING EXPENSES</u>		
Carriage Inward	3,398,194	3,089,115
Carriage Outward	15,460,077	4,874,117
Clearing & Forwarding	225,388	84,151
Components,Consumables,Stores & Spares	1,312,914	398,504
Commission Expenses	99,000	-
Duties & Taxes	11,466,388	11,257,039
Electricity Power & Fuel	2,757,551	1,812,226
Hire Charges	5,892,084	2,946,817
Inspection Fees	1,087,156	1,346,879
Labour Job Expenses	49,538,202	31,574,181
Testing Fees	951,845	375,416
	92,188,799	57,758,445
<u>Schedule "R": EMPLOYEE COST</u>		
Employers Contribution to P.F. etc	1,101,991	1,416,070
Payment to Employee	24,116,557	22,213,793
Welfare Expenses	527,669	416,697
	25,746,217	24,046,560
<u>Schedule "S": OTHER EXPENSES</u>		
Advertisements & Publicity	13,500	58,005
Audit Fees	110,000	90,000
Fees,Books & Periodicals	336,529	880,633
Membership & Subscription	66,571	146,541
Others	6,313,451	7,469,874
Postage, Telephone, Telex	727,777	973,826
Printing & Stationery	2,056,515	1,235,216
Professional Fees	2,300,746	5,376,610
Rent, Rates & Taxes	522,550	466,018
Repairs & Maintenance	340,795	549,608
Travelling & Conveyence	819,865	704,161
Vehicle Expenses	526,118	422,084
	14,134,417	18,372,576
<u>Schedule "T": FINANCIAL EXPENSES</u>		
Brokerage & Commission	38,600	11,438
Bank Charges & Commission	6,749,737	1,925,995
Interest Paid To Bank	6,648,153	1,415,950
Interest Paid on Bank Loan	6,637,742	2,456,301
Interest Paid to Others	5,042,362	9,442,833
Processing Fees	255,000	2,694,799
	25,371,595	17,947,316

Schedule "U"

NOTES TO ACCOUNTS: -

1) SIGNIFICANT ACCOUNTING POLICIES

I. Basis of Accounting: -

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

II. Sales: -

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

III. Retirement Benefits:-

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

IV. Depreciation:-

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

V. Fixed Assets:-

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

VI. Inventories:-

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

VII. **Deferred Sales Tax:-**

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

		Current Year (Rs.)	Previous Year (Rs.)
2)	a) Estimated amount of Contract remaining to be executed on Capital Account and not provided for	Nil	81,43,579
	b) O/s. Bank Guarantee	3,36,90,611	2,14,52,744
3)	Contingent Liabilities not provided for:		
	1) Claims against the Company not acknowledge as debts.	Nil	Nil
	2) Bank Guarantee	6,63,09,389	2,85,47,256
	3) In respect of sales tax	1,13,54,437	85,92,271
4)	Excise duty charged to profit and loss account during the year is net of MODVAT.		
5-A)	Expenditure in Foreign Currency on account of		
		Current Year (Rs.)	Previous Year (Rs.)
	Travelling	88,743	3,250
	Import Purchase	1,13,17,971	1,17,68,974
5-B)	1) Earning in Foreign Exchange by way of Exports of Goods	Nil	Nil
6)	During the year, the Company has received additional credit facility from the Saraswat Co-operative Bank Ltd for Rs. 8 crores making the total limit to Rs. 20.42 crores. (Including non-fund based).		
7)	The Company had allotted 45,00,000/- Convertible Warrants to be converted at the option of the holder into one equity share of Rs. 10/- each in accordance with the SEBI Guidelines & approval of shareholders in the Extra-ordinary General Meeting held on 2nd March, 2009. Further, the shareholders of the Company at their meeting held on 11th June, 2009 reduced the face value of the equity shares from Rs. 10/- per share to Rs. 4/- per share and the same was sanctioned by the Hon'ble Bombay High Court vide its order dated August 11, 2009. On May 18, 2010 considering the reduction in face value of the equity shares from Rs. 10/- to Rs. 4/- and exemption granted to the Acquirer from Takeover Regulations of SEBI, the Company converted the above 45,00,000 warrants of Rs. 10/ each into 1,12,50,000 Equity Shares of Rs. 4/- each. The Company made the application to the BSE on May 26, 2010 for listing of 1,12,50,000 equity shares of Rs. 4/- each issued to the promoter group company. However, at the meeting of the BSE Committee held on April 28, 2011 the Committee rejected the above listing application vide letter No. DCS/PREF/SI/PREF/201/2011-12. The Company has made an re-application to SEBI.		

- 8) The Current year tax has been determined on the basis of Minimum Alternate Tax (MAT) liability under section 115 JB of the Income Tax Act, 1961.
- 9) Income tax is provided on the taxable income determined as per Income Tax laws. Deferred Tax Assets / Liabilities is recorded for timing difference as per Accounting Standard 22 issued by the Institute of Chartered Accountants of India and accordingly the Company has recognized a deferred tax Assets of Rs. 4,75,66,873/- , the detailed breakup of which is as follows: -

Particulars	As at 31 st Mar 2011	As at 31 st Mar 2010
<u>Deferred Tax Liabilities</u>		
1. On account of timing difference in Depreciation	1,97,77,475	(1,76,91,787)
<u>Less: - Deferred Tax Assets</u>		
1. On account of timing difference in unabsorbed losses & b/f depreciation	6,24,12,012	1,33,37,115
2. Provision for deferred sales tax	49,32,337	53,37,452
3. 43B Disallowance	NIL	2,50,941
DTA	4,75,66,873	3,66,17,295

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

	Unit	Current Year		Previous Year	
		Quantit y	Value (Rs.)	Quantit y	Value (Rs.)
A Sales by class of goods :					
Pressure Vessels / Structural Material	MT.	935.242	157855547	619.724	112023675
	Nos.				
B Raw Material Consumed :	MT.	1346.23		697.125	
C License & Installed Capacity	Unit				
<u>Installed Capacity</u>					
Cylinders	Nos.	350000		350000	
Pressure Vessels	MT	3000		3000	
<u>Actual Production</u>					
Cylinders	Nos.	NIL	-	NIL	-
Pressure Vessels / Structural Material	MT	935.242	157855547	619.724	112023675

	Amount (Rupees)	Amount (Rupees)
D Value of Imports Calculated on C. I. F. Basis:		
1) Raw Materials	11317971	11768974

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

(Rs.In Lacs)

Nature of Transaction	Associate Companies	Key Management Personnel	Total
1. Managerial Remuneration	0.00 (0.00)	12.00 (12.00)	12.00 (12.00)
2. Debtors	69.36 (69.36)	0.00 (0.00)	69.36 (69.36)
3. Loans, Advances & Deposit	43.02 (42.62)	0.00 (0.00)	43.02 (42.62)

Note: -

Details of remuneration paid to Directors are disclosed in Note: - 18 below.

16) Earning per Share :

The basic and diluted EPS is calculated as under: -

Profit / (Loss) attributed to Equity Shareholders (Rupees)	2,28,46,131	48,86,658
No. of Equity Shares of Rs. 4/- each	1,90,36,400	77,86,400
Earning per Share (Rs.)	1.20	0.63

17) Auditors Remuneration:

	Current Year (Rs.)	Previous Year (Rs.)
Auditors Fees	1,10,000	90,000

18) Managerial Remuneration paid/payable to Directors:

	Current Year (Rs.)	Previous Year (Rs.)
Managing/Whole-Time/Marketing Directors - Salaries	12,00,000	12,00,000

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

As per our report attached.

For Ketan N. Shah & Co.,
Chartered Accountants

Ketan N. Shah
Proprietor

Place: - Mumbai
Dated: - 27.07.2011

S. S. Mewawala
(Managing Director)

S. M. Nathani
(Director)

EXPO GAS CONTAINERS LTD.
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2011

		31.03.2011 Rupees	31.03.2010 Rupees
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit / (Loss) before Tax and extra-ordinary items	14,025,886	10,459,378
	Depreciation	7,456,118	6,672,924
	Depreciation writeback on sale of Assets	(26,326)	
	Extraordinary Items	-	-
	Operating profit / (Loss) before Working Capital changes	21,455,678	17,132,302
	Adjustment for		
	Inventories	(41,278,522)	(20,051,922)
	Sundry Debtors	(65,258,821)	5,115,873
	Loans and Advances	5,613,470	(8,626,342)
	Current Liabilities & Provisions	29,829,891	(32,716,590)
	Cash generated from Operations	(49,638,304)	(39,146,678)
	Add: Profit on sale of Assets	-	-
	Less: Current Year Tax	2,780,982	1,615,974
	Excess Provision of Tax Earlier year	651,650	
	CASH FLOW BEFORE ADJ FOR PRIOR PERIOD ADJUSTMENT	(51,767,637)	(40,762,652)
	Extraordinary Items	-	-
	NET CASH FROM OPERATING ACTIVITIES	(51,767,637)	(40,762,652)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(11,755,584)	(20,453,387)
	Sale of Fixed Assets	361,658	-
	Purchase of Investments	-	(25,000)
	NET CASH USED IN INVESTING ACTIVITIES	(11,393,926)	(20,478,387)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Warrant Application Money	-	33,750,000
	Proceeds from Long Term Loans	62,039,759	35,832,486
	NET CASH USED IN FINANCING ACTIVITIES	62,039,759	69,582,486
	Net increase in cash & cash Equivalents	(1,121,803)	8,341,447
	Cash & Cash Equivalents, beginning of period	10,458,862	2,117,415
	Cash & Cash Equivalents, end of period	9,337,059	10,458,862

Vide our report of even date annexed

For Ketan N. Shah & Co.,
(Chartered Accountants)

(K. N. Shah)
Proprietor

SHAUKATALI S. MEWAWALA
(Chairman & Managing Director)

S. M. Nathani
(Director)

Place : Mumbai
Date : 27.07.2011

Place : Mumbai
Date : 27.07.2011

Place : Mumbai
Date : 27.07.2011

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

I Registration Details

 State Code :

1	1
---	---

 Registration No. :

0	2	7	8	3	7
---	---	---	---	---	---

 Balance Sheet Date:

3	1
---	---

 /

0	3
---	---

 /

2	0	1	1
---	---	---	---

 Date Month Year

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

Public Issue						
				-		

Rights Issue						
				-		

Bonus Issue						
				-		

Private Placement						
				-		

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

Total Liabilities						
			3	1	8	9
			8	1		

Total Assets						
			3	1	8	9
			8	1		

Sources of Funds

Paid up Capital						
			7	6	1	4
			5			

Reserves & Surplus						
			4	2	5	1
			0			

Secured Loans						
			1	0	9	1
			5	6		

Unsecured Loans						
			9	1	1	7
			0			

Application of Funds

Net Fixed Assets						
			9	5	3	8
			9			

Investments						
						2
						5

Net Current Assets						
			1	7	6	0
			0	0		

Misc. Expenditure						
					N	I
						L

Accumulated Losses						
					N	I
						L

IV Performance of Company (Amount in Rs. Thousands)

Turnover						
			2	7	7	1
			5	7		

Total Expenditure						
			2	6	3	1
			3	1		

+	-	Profit/Loss before tax				
+					1	4
					0	2

+	-	Profit/Loss after tax				
+					2	2
					8	4

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

Earning per Share in Rs.					
		+	1	.	2
			0		

Dividend rate %		
	-	-

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

Item Code No.

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

(ITC Code)

Product

P	R	E	S	S	U	R	E		V	E	S	S	E	L	S				
---	---	---	---	---	---	---	---	--	---	---	---	---	---	---	---	--	--	--	--

Description

Item Code No.

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

(ITC Code)

Product

S	I	T	E		E	N	G	E	N	E	E	R	I	N	G				
---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	--	--	--	--

Description

Item Code No.

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

(ITC Code)

Product

C	O	L	U	M	N	S		A	N	D		T	O	W	E	R	S		
---	---	---	---	---	---	---	--	---	---	---	--	---	---	---	---	---	---	--	--

Description

KETAN N. SHAH & CO.
(Chartered Accountants)

SHAUKATALI S. MEWAWALA :
(Managing Director)

(K.N.SHAH)
Proprietor

S. M. NATHANI :
(Director)

Place : Mumbai
Date : 27.07.2011

Place : Mumbai
Date : 27.07.2011

PROXY FORM

EXPO GAS CONTAINERS LIMITED

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

DP ID*

Master Folio No.

Client Id *

No. of Shares held.

I / We
of being a Member(s) of Expo Gas Containers
Limited hereby appoint Mr. / Ms.....
of or failing him / her
of as my / our proxy to vote for me / us on my / our
behalf at the 28th Annual General Meeting to be held on Wednesday, the 21st September
2011 at 11.00 A.M. or any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix	Rs.
1.00/-	
Revenue	
Stamp	

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

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

ATTENDANCE SLIP

EXPO GAS CONTAINERS LIMITED

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

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

DP ID*

Master Folio No.

Client Id *

No. of Shares held.

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

I hereby record my presence at the 28th Annual General Meeting of the Company held on Wednesday the 21st September 2011 at 11.00 A.M.

Members' / Proxy's name in Block Letters

Signature of Member / Proxy

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

Some of Our Valued Customers:

Indian Oil Corporation Ltd.
Bharat Petroleum Corporation Ltd
Hindustan Petroleum Corporation Ltd
Gas Authority of India Ltd.,
Kochi Refineries Ltd.,
Indo Rama Synthetics (I) Ltd.
Chennai Petroleum Corporation Ltd.
Reliance Industries & Group Companies.
Kazstroy Service Infrastructure India Pvt. Ltd.
Larsen & Toubro Ltd.
Jindal Steel & Power Ltd.
Brahmaputra Cracker & Polymer Ltd.
Samsung Engineering Co. Ltd.
Gujarat Fluorochemicals Ltd.
MAN Ferrostaal AG
Gulf Farabi Petrochemical Co. Ltd.
Cairn Energy India Pty. Ltd.
Oil & Natural Gas Corporation Ltd
Navin Fluorine Industries
Indian Farmers Fertilizer Co-op. Ltd / Lloyds Steel Industries Ltd.
Gujarat Gas Company
SHV Energy North West India Pvt. Ltd.
Bharat Shell Ltd.
Cipla Ltd.
National Aluminum Co. Ltd (NALCO)
Godrej & Boyce Manufacturing Co. Ltd
L.G. Engineering & Construction Corporation.
(Now known as GS Engg. & Construction Corpn.)
Stork Engineers & Contractors B.V., Amsterdam
Petroleum India International
Mitsubishi Heavy Industries Ltd – Japan
Hitachi Zosen Corporation – Japan
Gapco (Sudan) Ltd – Sudan
Trimeta Petroleum – Madagascar
LP Gas Ltd. – Bangladesh
OKI Bering Middle East FZE – U.A.E.
Simon India Ltd.
SNC Lavalin - Canada
Nagarjuna Oil Corporation Limited
Mukand Ltd.

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**Expo House,
150, Sheriff Devji Street,
Mumbai - 400 003.**

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