

SOLID CONTAINERS LIMITED

**Annual Report
2012 - 2013**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ashok Goel

R. Chandrasekhar (Resigned w.e.f. 31.01.2013)

J. M. Fernandes

Mohender Garg

MANAGER (under Section 269 of the Companies Act, 1956)

Suresh Kumar Suri

COMPANY SECRETARY

Anjali Singh (appointed w.e.f. 13.05.2013)

AUDITORS

M/s MGB & Co.

Chartered Accountants

BANKERS

Canara Bank

Dr. A. B. Road, Worli,

Mumbai - 400 018

REGISTERED OFFICE

2006, Fossberry Road,

Near ICI Limited, Reay Road (E),

Mumbai - 400 033

WORKS

Vadavali, P. O. Mohone,

District : Thane - 421 102

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Sharepro Services (India) Pvt. Ltd.

13AB, Samhita Warehousing Complex,

2nd Floor, Sakinaka Telephone Exchange Lane,

Off Andheri Kurla Road, Sakinaka,

Andheri (E), Mumbai - 400 072

Tel. 6772 0300

NOTICE

NOTICE is hereby given that the Forty-Eighth Annual General Meeting of SOLID CONTAINERS LIMITED will be held on Thursday, September 26, 2013 at 12.00 noon at Company's Registered Office at 2006, Fossberry Road, Near ICI Limited, Reay Road (E), Mumbai - 400 033, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Statement of Profit & Loss for the financial year ended 31st March, 2013 and the Balance Sheet as on that date and the Report of the Directors' and the Auditor's thereon.
2. To appoint a Director in place of Mr. Mohender Garg, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration.

By Order of the Board of Directors
FOR SOLID CONTAINERS LIMITED

Place : Mumbai

Date : May 29, 2013

ASHOK GOEL

DIRECTOR

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AT THE MEETING AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME FOR COMMENCEMENT OF THE MEETING.
2. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2013 to September 26, 2013 (both days inclusive).
4. Members desirous of asking any questions at the Annual General Meeting are requested to send their questions to the Company at an early date so that the same can be replied suitably.
5. Members are requested to kindly carry their copy of Annual Report to the Meeting.

By Order of the Board of Directors
FOR SOLID CONTAINERS LIMITED

Place : Mumbai

Date : May 29, 2013

ASHOK GOEL

DIRECTOR

ADDITIONAL INFORMATION ON DIRECTOR BEING RE-APPOINTED AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES.

Name of Director: (Retiring by rotation)	Mr. Mohender Garg
Appointed / Re - appointed	Re - appointed
Age	50
Experience	Mr. Mohender Garg has a rich experience in the Industry and also serves on the Board of other companies.
Qualifications	Bachelor of Commerce
List of Public Companies in which outside Directorship held (as on 31.03.2013)	Aqualand India Limited
Chairman / Member of the Committees of the Board of other Companies	Nil
Shareholding in the Company (No. of shares)	Nil

DIRECTORS' REPORT

To

**THE MEMBERS,
SOLID CONTAINERS LIMITED**

Your Directors have pleasure in presenting the Forty Eighth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2013.

SUMMARY OF FINANCIAL RESULTS:

(Rs. in Lacs)

	Year Ended 31.03.2013	Year Ended 31.03.2012
Sales	NIL	NIL
(Loss) before depreciation	(210)	(195)
Depreciation	(13)	(13)
(Loss) before Tax	(223)	(208)
(Loss) after Tax	(223)	(208)

DIVIDEND:

Your Directors regret their inability to recommend dividend in view of loss incurred during the year.

OPERATIONS REVIEW:

There has been no change in the status of the Company's operations. The operations continued to be suspended and unviable. There has been no further development and hence the Company was unable to re-commence its operations.

DIRECTORS:

Mr. R Chandrasekhar has resigned from the directorship of the Company w.e.f January 31, 2013. The Board places on record its gratitude for the services rendered by Mr. R Chandrasekhar during his tenure as member of the Board.

Mr. Mohender Garg, Director, retires by rotation and being eligible, offers himself for re-appointment.

A brief resume of Mr. Mohender Garg, Director, as required by Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the notice convening the forty-eighth Annual General Meeting of the Company.

AUDITORS:

M/s. MGB & Co., Chartered Accountants, the retiring Auditors being eligible, offer themselves for reappointment as Statutory Auditors of the Company. The reappointment is in accordance of Section 224(IB) of the Companies Act, 1956.

RESPONSE TO THE AUDITORS' REPORT:

The qualification and observations made by the Auditors in their report are self-explanatory.

The Auditors in their report have qualified that the Company is no longer a going concern and has not made adjustments to accounts relating to recoverability of assets and liabilities as might be necessary when your Company is no longer a going concern. In this regard, it may be noted that the operations of your Company continue to stay suspended and any steps for revival will be taken as soon as the economy and future of paper industry improves. In view of these facts, the Company is not in a position to make any adjustments in its accounts for recoverability of assets and restatement of liabilities.

The Auditors have stated in their report that fixed assets records were not produced for verification and no physical verification of the assets was done during the year. Your Company has suspended its operations since September 1998 and had been suffering losses. In view of the suspended operations and closure of the unit, physical verification of assets is not possible.

The Auditors have also pointed out that the Company did not have Internal Audit system during the year. Considering the fact that the operations had been suspended since September 1998 and your Company has been suffering losses, your Company did not have Internal Audit System during the year.

INFORMATION ON EMPLOYEES' REMUNERATION:

None of the Employees were in receipt of remuneration in excess of the limit specified under Section 217 (2A) of the Companies Act, 1956, and Companies (Particulars of Employees) Rules, 1975.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000, Director's confirm that:

- 1) In the preparation of the annual accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departure.
- 2) Appropriate Accounting Policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and the profit or loss of the Company for that period. However, Auditors have qualified their report by stating that the Company is no longer a going concern and has not made adjustments to accounts relating to recoverability of assets and liabilities as might be necessary when the Company is no longer a going concern. The qualification has been explained aforesaid in this report.
- 3) 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.
- 4) The annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ADAPTATION & INNOVATION AND RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS / OUTGO AS PER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A) Conservation of Energy	NIL
B) Technology Absorption:	
Research and Development	NIL
Technology absorption, adaptation and innovation	NIL
C) Foreign exchange earnings and outgo	NIL
D) Exports / exports plan	NIL
E) Total Foreign exchange used and earned	NIL

CORPORATE GOVERNANCE:

A separate report on Corporate Governance alongwith the Auditors' Certificate on its compliance form a part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report is provided in a separate section and forms a part of this Report.

ACKNOWLEDGEMENTS:

The Board of Directors expresses their gratitude to the Members of the Company for their continuous support.

For and on behalf of the Board of Directors
FOR SOLID CONTAINERS LIMITED

Place : Mumbai
Date : May 29, 2013

SURESH KUMAR SURI ASHOK GOEL
MANAGER DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS

The operations of your Company have been suspended since September 1998 and there have been no further development regarding commencement of its operations. Therefore, your Directors are not able to communicate anything substantive through this report.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS, OPPORTUNITIES AND THREATS:

The Pulp and Paper Industry is broadly classified into Newsprint, printing & writing and Industrial Paper.

The Indian Paper Industry has been highly fragmented, labour & capital intensive. Raw material procurement is one of the biggest challenges for the paper industry. Performance of paper industry in India has been constrained due to high cost of production characterized by inadequate availability and high cost of raw materials, energy cost and concentration of mills in particular areas.

The demand for paper is closely linked to the growth of GDP. The growth in Indian paper industry has mirrored the growth in GDP.

2. The operations of the Company have been suspended since September 1998 and hence information on segment wise or product wise performance, Outlook, risk & concerns, financial performance with respect to operational performance is not provided.

3. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED:

Presently there are only two employees and the operations of the Company have been suspended. Hence, there was no material development in Human resources / Industrial relations during the year.

For and on behalf of the Board of Directors
FOR SOLID CONTAINERS LIMITED

Place : Mumbai
Date : May 29, 2013

SURESH KUMAR SURI ASHOK GOEL
MANAGER DIRECTOR

CORPORATE GOVERNANCE REPORT

BOARD'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company believes in following the principles of full transparency, disclosure of material facts and accountability in dealing with its stakeholders.

BOARD OF DIRECTORS

The Board has three Non-Executive Directors. The Board has a Non-Executive Promoter Chairman and two other Directors. Out of these, two members are Independent Directors. Hence, the Company complies with the listing agreement norms for Independent Directors.

BOARD PROCEDURES

During the year under review, the Board of Directors met six times on May 15, 2012, August 10, 2012, August 30, 2012, November 8, 2012, January 31, 2013 and March 14, 2013.

The composition and attendance of the Directors at the Board meetings and Annual General Meeting held during the year, Committee membership and number of outside Directorships held by each Director as on March 31, 2013, is given below :-

Name of the Director	Category of Director	Board Meetings		Last AGM Attended	No. of Committee Memberships held @		No. of outside Directorships held \$
		Held	Attended		Chairman	Member	
Ashok Goel	NED	6	6	No	NIL	1	4
R. Chandrasekhar*#	NED	6	4	Yes	-	-	-
J.M. Fernandes *	NED, ID	6	6	Yes	2	1	1
Mohender Garg	NED, ID	6	6	No	NIL	1	1

NED : Non-Executive Director ID : Independent Director

* Committee Member and on the Board of a Private Company which is a subsidiary of Public Company.

@ Only Audit Committee and Investor Grievance Committee are considered.

\$ Excludes directorships in Private Companies, Foreign Companies and Companies under section 25 of the Companies Act, 1956.

Resigned w.e.f. January 31, 2013.

Committees of the Board

1) Audit Committee

Audit Committee has been reconstituted with effect from April 15, 2013. Composition of the Audit Committee before and after reconstitution:

Before Reconstitution	After Reconstitution
Mr. J.M. Fernandes (Chairman)	Mr. J.M. Fernandes (Chairman)
Mr. Mohender Garg	Mr. Ashok Goel
Mr. R. Chandrasekhar	Mr. Mohender Garg

All the Members of the Committee are Non-Executive Directors. Mr. J.M. Fernandes and Mr. Mohender Garg are Non-Executive Independent Directors.

The Company Secretary acts as a Secretary to the Committee. Mr. J.M. Fernandes has expert knowledge of Finance & Accounts.

Terms of Reference:

The role, powers and functions of the Audit Committee are as per Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges.

During the year under review, five Committee Meetings were held on May 15, 2012, August 10, 2012, August 30, 2012, November 8, 2012 and January 31, 2013.

The attendance of the Members of the Audit Committee during the year is as under:-

Members	Meetings attended
J. M. Fernandes	5
R. Chandrasekhar	4
Mohender Garg	5

2) Investors' Grievance Committee

Investor grievance committee has been reconstituted with effect from April 15, 2013. Composition of the Investors' Grievance Committee before and after reconstitution:

Before Reconstitution	After Reconstitution
Mr. J. M. Fernandes (Chairman)	Mr. J. M. Fernandes (Chairman)
Mr. R. Chandrasekhar	Mr. Ashok Goel

All the members of the committee are Non - Executive Directors.

Compliance Officer : Ms. Anjali Singh - Company Secretary.

The Committee, inter alia, deals in matters relating to:

1. Approval of Share transfers/transmissions/transpositions and deletion of name from the Share Certificates.
2. Issue of duplicate Share Certificates.
3. Redressal of the shareholders grievances.

During the year under review, three Committee Meetings were held on May 14, 2012, August 10, 2012 and November 8, 2012.

The attendance of the Members of the Investor Grievance Committee during the year is as under:-

Members	Meetings attended
J. M. Fernandes	3
R. Chandrasekhar	3

During the year, no complaints were received from the investors and hence there were no pending complaints as on March 31, 2013.

2) Remuneration Committee

Remuneration committee has been reconstituted with effect from April 15, 2013. Remuneration committee before and after constitution:

Before Reconstitution	After Reconstitution
Mr. J. M. Fernandes (Chairman)	Mr. J. M. Fernandes (Chairman)
Mr. Mohender Garg	Mr. Ashok Goel
Mr. R. Chandrasekhar	Mr. Mohender Garg

Terms of Reference:

The Committee was constituted to decide the terms of remuneration of Mr. S. K. Suri as Manager under section 269 of the Companies Act, 1956.

No Remuneration Committee meeting was held during the year under review.

The Non Executive Independent Directors are paid sitting fees of Rs. 1000 for attending each meeting of the Board of Directors and committees thereof. During the year, no remuneration was paid to Directors, except sitting fees which has been paid only to the Non-Executive Independent Directors. During the year under review, Mr. J. M. Fernandes and Mr. Mohender Garg, Non Executive Independent Directors of the Company were paid sitting fees of Rs. 14,000 and Rs. 11,000 respectively.

The Remuneration paid to the Manager under Section 269 of the Companies Act, 1956, for year ended March 31, 2013, is as under:-

Name	Position	Gross Remuneration Paid (Rs.)	Stock Options Granted	Service Contract	Notice Period
Mr. Suresh Kumar Suri	Manager	Rs. 5,84,017#	NIL	Re-appointed for the period of 3 years w.e.f. 29.04.2011	1 month

Break up of remuneration paid / payable is as under:

(in Rupees)

Sr.No.	Particulars	2012-2013
1.	Salaries, Allowances and Perquisites*	5,59,177
2.	Contribution to Provident and other funds	24,840
	Total	5,84,017

* Excludes Leave encashment and Gratuity which is based on actuarial valuation provided on an overall basis.

DISCLOSURES

1) Materially significant Related Party transactions.

The transactions between the Related Parties are disclosed in the Note No. 22 of notes forming part of the financial statements in compliance with the Accounting Standard relating to "Related Party Disclosures". There is no materially significant Related Party transaction that may have potential conflict with the interest of the Company at large.

- 2) The Board of Directors of the Company has approved and laid down a Code of Conduct applicable for all the Board members and the Employees of the Company. The declaration of Mr. Suresh Kumar Suri, Manager under section 269 of the Companies Act, 1956, to this effect forms part of this report.
- 3) As there are only two Employees of the Company and operations remain suspended, the Company has not adopted "WHISTLE BLOWER POLICY" - a non-mandatory requirement as per clause 49 of the Listing agreement.
- 4) There were no cases of penalties or strictures imposed by any Stock Exchange or SEBI or any other statutory authority for any violation related to the capital market during the last three years.
- 5) Shareholding of all the Directors in the Company is NIL except that Mr. Ashok Goel is holding 49,780 equity shares. The Company has no stock option plan for Directors or Employees of the Company.
- 6) CEO/CFO Certification

A certificate duly signed by Director and Manager under section 269 of the Companies Act, 1956, was placed at the Board meeting of the Company held on May 29, 2013.

MEANS OF COMMUNICATION

The quarterly and annual results of the Company are published in Free Press Journal and Navshakti.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report forms part of the Annual Report.

SHAREHOLDERS' INFORMATION

1.	Annual General Meeting (Day, Date, Time & Venue)	Thursday, September 26, 2013 at 12 noon at 2006, Fossberry Road, Near ICI Ltd., Reay Road, Mumbai - 400 033.																	
2.	Financial Year	April to March																	
3.	Book Closure Dates	From Monday, September 23, 2013 to Thursday, September 26, 2013 (both days inclusive)																	
4.	Dividend payment date	Not applicable.																	
5.	Registered Office	2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033.																	
6.	Listing of Shares on Stock	The shares of the Company are listed on Bombay Stock Exchange Limited (BSE). The Shares can be traded in physical mode in the lots size of 50. Prescribed listing fees have been paid to BSE.																	
7.	Market price date: (High / Low during each month during the year 2012-2013)	<table border="1"> <thead> <tr> <th rowspan="2">Month</th> <th colspan="3">BSE</th> </tr> <tr> <th>High</th> <th>Low</th> <th>BSE Sensex</th> </tr> </thead> <tbody> <tr> <td>February 2013</td> <td>5.32</td> <td>4.81</td> <td>18,861.54</td> </tr> <tr> <td>March 2013</td> <td>5.20</td> <td>5.20</td> <td>18,835.77</td> </tr> </tbody> </table> <p><i>Note: Since there was no transaction in the Company's Share on BSE during the period from April 2012 to January 2013, market price for that period is not available. Hence market price only for the months of February 2013 and March 2013 is given.</i></p>			Month	BSE			High	Low	BSE Sensex	February 2013	5.32	4.81	18,861.54	March 2013	5.20	5.20	18,835.77
Month	BSE																		
	High	Low	BSE Sensex																
February 2013	5.32	4.81	18,861.54																
March 2013	5.20	5.20	18,835.77																

8.	Stock Exchange	Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001.		
9.	Stock Code	502460		
10.	Registrar and Share Transfer Agent	M/s. Sharepro Services (India) Pvt. Ltd. Unit : SOLID CONTAINERS LIMITED 13 AB, Samhita Warehousing Complex, Second floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East) Mumbai - 400 072. Tel. : (022) 6772 0300 Fax : (022) 28591568 E-mail: sharepro@shareproservices.com		
11.	Compliance Officer	Anjali Singh Company Secretary		
12.	Share Transfer System	Physical shares sent for transfer are duly transferred within the specified period, if documents are in order.		
13.	Details of General Meetings of Shareholders			
	Date	AGM / EGM	Location	Time
	28/09/2012	AGM	Registered Office	10.30 a.m.
	29/09/2011	AGM	Registered Office	11.00 a.m.
	30/09/2010	AGM	Registered Office	11.00 a.m.

Special Resolutions passed in the previous Annual General Meetings (AGMs):

- AGM held on September 29, 2011
Special resolution under section 269 of the Companies Act, 1956 for re-appointment of Mr. Suresh Kumar Suri as manager of the company for a period of 3 (three) years w.e.f. April 29, 2011.
- During the year ended March 31, 2013 no special resolution was passed by the company's shareholders through postal ballot.

14.	Shareholding Pattern as on 31st March, 2013		
	Particulars	No. of Shares	Percentage of Shareholding
	Promoter	1,528,966	56.63
	FIs	NIL	NIL
	NRIs	NIL	NIL
	Mutual Funds, FIs, Banks and Insurance Companies	541,600	20.06
	Bodies Corporate	324,010	12.00
	Resident Indians	305,424	11.32
	Total	2,700,000	100.00

15.	Distribution schedule as on 31st March, 2013				
	Distribution	No. of Shareholders	% to total holders	No. of Shares	% to total shares
	Less than 500	635	81.52	114,644	4.25
	500 - 1000	79	10.14	59,450	2.20
	1001 - 2000	32	4.11	49,100	1.82
	2001 - 3000	10	1.28	25,350	0.94
	3001 - 4000	2	0.26	6,150	0.23
	4001 - 5000	3	0.38	12,950	0.48
	5001 - 10000	3	0.38	21,260	0.79
	Above 10001	15	1.93	2,411,096	89.30
	TOTAL	779	100.00	2,700,000	100.00
16.	Dematerialisation of shares & liquidity	The shares of the Company are not dematerialised. The Company made an application to Depository for dematerialisation of Equity Shares of the Company but approval was not granted as the capital base of the Company did not fulfill their admission criteria.			
17.	Outstanding GDRs / ADRs / Warrants or any Convertible Instruments and their likely impact on equity	As on date there are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR during the year under review.			
18.	Plant Location	Vadavali, P.O. Mohone, District Thane-421102.			
19.	Address for Correspondence	Solid Containers Limited, 2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033.			

For and on behalf of the Board of Directors
FOR SOLID CONTAINERS LIMITED

Place : Mumbai
Date : May 29, 2013

SURESH KUMAR SURI ASHOK GOEL
MANAGER DIRECTOR

DECLARATION

It is hereby declared that all the Board Members and Employees of the Company have affirmed adherence to and compliance with the 'Code of Conduct' adopted by the Company.

FOR SOLID CONTAINERS LIMITED

Place : Mumbai
Date : May 29, 2013

SURESH KUMAR SURI
MANAGER

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Solid Containers Limited

We have examined the compliance of conditions of Corporate Governance by Solid Containers Limited, for the year ended 31 March, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MGB & Co.**

Chartered Accountants

Firm Registration Number 101169W

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, May 29, 2013

INDEPENDENT AUDITORS' REPORT

To

The Members of
Solid Containers Limited

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of Solid Containers Limited ("the Company") which comprise the Balance Sheet as at 31 March 2013, the Statement of Profit and Loss and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

BASIS FOR QUALIFIED OPINION

6. *Attention is drawn to Note 18 regarding substantial operating losses due to closure of commercial operations of the company and in the absence of any rehabilitation measures, the Company is no longer a going concern. The Company has not made adjustment to accounts relating to recoverability of recorded asset amounts and in respect of liabilities as might be necessary for compilation, where the Company is no longer a going concern. The effect on the Loss for the year and Net Worth of the company is unascertained. Our audit opinion on the financial statements for the year ended 31 March 2012 was also qualified in respect of the above matter.*

OPINION

7. In our opinion and to the best of our information and according to the explanations given to us, *except for possible effects of the matters described in the basis of the Qualified Opinion paragraph above*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2013;
 - b) In the case of the Statement of Profit and Loss, of the Loss of the company for the year ended on that date; and
 - c) In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

8. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
9. As required by section 227(3) of the Act, we report that:
- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) 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 those books;
 - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act; and
 - (v) On the basis of written representation received from the directors as at 31 March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **MGB & Co**
Chartered Accountants
Firm Registration Number 101169W

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, May 29, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 8 OF AUDITORS REPORT TO THE MEMBERS OF SOLID CONTAINERS LTD. ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013.

- (i) (a) As explained to us, the company has maintained proper records showing full particulars including quantitative details and situation of *fixed assets but the same have not been produced for verification as reported to be untraceable.*
- (b) The fixed assets are not physically verified during the year.
- (c) The Company has not disposed off substantial part of fixed assets during the year.
- (ii) Due to the closure of the commercial operations, the company is not having inventory during the year and hence, clauses (ii) a, (ii) b, (ii) c of the Order regarding inventories are not applicable to the Company
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) The Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control systems.
- (v) According to the information and explanations given to us, we are of the opinion that there are no contracts or arrangements the particulars of which are required to be entered into the register in pursuance of Section 301 of the Act.
- (vi) The Company has not accepted any deposits from the public during the year.
- (vii) *As informed to us, the company did not have an internal audit system during the year.*
- (viii) In view of closure of manufacturing activities, the report on the maintenance of cost records as prescribed by the Central Government under section 209(1)(d) of the Act is not required.
- (ix) According to the records of the Company examined by us and information and explanations given to us:
 - (a) The Company has been regular in depositing its Statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and others as applicable *except delays in few cases.* There are no undisputed amounts payable in respect of the aforesaid dues which have remained outstanding as at 31 March, 2013 for a period of more than six months from the date they became payable.
 - b) There are no disputed dues on account of wealth tax, custom duty, sales tax / value added tax, service tax and cess. Dues on account of disputed excise duty and income tax which have not been deposited are as under:

Name of the Statute	Nature of the Dues	Amount in Rupees	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	* 1,434,197	FY 1983-84 to FY 1985-86	Commissioner of Central Excise (Appeals), Mumbai
		7,276,028	FY 1994-95 to FY 1997-98	Commissioner of Central Excise (Appeals), Thane
		237,741	FY 1994-95 to FY 1995-96	Assistant Commissioner of Central Excise, Kalyan
		55,046	FY 1994-95	Superintendent of Central Excise, Kalyan
		58,549	FY 1994-95	Assistant Commissioner of Central Excise, Dadar

* Subsequently demand notice received for Rs. 795,283/-

- (x) According to the records of the company and in our opinion, the *Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. Further, the Company has incurred cash losses during the current financial year ended 31 March 2013 and in the immediately preceding financial year.*
- (xi) The Company has not taken any loan from bank / financial institution or issued debentures during the year.
- (xii) According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
- (xiii) The Company is not a chit fund / nidhi / mutual benefit fund / societies.
- (xiv) The Company is not dealing or trading in securities, debentures and other investments
- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from banks or financial institutions.
- (xvi) The Company has not raised any term loan during the year.
- (xvii) On the basis of an overall examination of the Balance Sheet and the related information as to utilization of funds, we report that short term funds have not been used for long term investments except for loss incurred during the year.
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- (xix) The Company had not issued any secured debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course or our audit.

For **MGB & Co**
Chartered Accountants
Firm Registration Number 101169W

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, May 29, 2013

BALANCE SHEET AS AT 31 MARCH 2013

	NOTES	2013 (Rs.)	2012 (Rs.)
EQUITY & LIABILITIES			
Shareholders' Funds :			
Share Capital	3	167,000,000	167,000,000
Reserves and Surplus	4	(433,423,788)	(411,106,188)
		(266,423,788)	(244,106,188)
Non-current liabilities			
Long-term provisions	5	-	35,042
		-	35,042
Current liabilities			
Short-term borrowings	6	247,871,169	244,241,169
Other current liabilities	7	55,721,192	38,685,367
Short-term provisions	5	340,316	331,349
		303,932,677	283,257,885
Total		37,508,889	39,186,739
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	8	32,098,046	33,387,778
Long-term loans and advances	9	4,833,243	4,833,071
		36,931,289	38,220,849
Current assets			
Cash and bank balances	10	64,855	144,973
Short-term loans and advances	9	512,745	820,917
		577,600	965,890
Total		37,508,889	39,186,739
Notes forming part of the financial statements	1-27		

For **MGB & Co.**
Chartered Accountants
Firm Registration Number 101169W
Sanjay Kothari
Partner
Membership Number 048215
Mumbai, May 29, 2013

For and on behalf of the Board
ASHOK GOEL Director
J. M. FERNANDES Director
SURESH KUMAR SURI Manager
ANJALI SINGH Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013

	NOTES	2013 (Rs.)	2012 (Rs.)
INCOME			
Other Income	11	438,785	300,000
Total		438,785	300,000
EXPENDITURE			
Employee benefit expenses	12	1,292,392	1,830,574
Other expenses	13	3,090,585	2,123,700
Finance costs	14	17,083,676	15,813,741
Depreciation and amortisation expenses	8	1,289,732	1,289,732
Total		22,756,385	21,057,747
Loss before tax		(22,317,600)	(20,757,747)
Tax Expenses			
Current tax - Current year		-	-
- Earlier year		-	-
Deferred tax		-	-
Loss for the year		(22,317,600)	(20,757,747)
Earnings per share (Face value of Rs. 10 each)			
Basic and diluted earnings / (loss) per share (Rs.)		(13.82)	(13.24)
Weighted average no. of shares used in computing		2,700,000	2,700,000
Earning per share - basic and diluted			

Notes forming part of the financial statements 1-27

As per our attached report of even date

For **MGB & Co.**

Chartered Accountants

Firm Registration Number 101169W

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, May 29, 2013

For and on behalf of the Board

ASHOK GOEL Director

J. M. FERNANDES Director

SURESH KUMAR SURI Manager

ANJALI SINGH Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENT

1. Corporate Information

Solid Containers Limited is a Company incorporated under the Companies Act, 1956. Operations of the Company have been suspended since September 1998 and the Company has been incurring losses.

2. Significant Accounting Policies:

(i) Basis of preparation

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention (except revaluation of the land) on an accrual basis and comply in all material aspects with accounting standards under section 211(3C), Companies (Accounting Standards) Rules, 2006, the provisions of Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI).

(ii) Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialised.

(iii) Tangible Fixed Assets

Fixed Assets are stated at original cost of acquisition / installation net off less accumulated depreciation except land which is carried at revalued cost including lease premium. The cost of fixed assets includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets including financial expenses incurred during pre-operative and trial runs period.

(iv) Depreciation

Depreciation is provided as per the Straight Line Method at the rates and in the manner specified in the Schedule XIV to the Companies Act, 1956.

(v) Impairment of Tangible Assets

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and value in use determined by the present value of estimated future cash flows. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired.

(vi) Inventories

- a) Inventories are valued at lower of cost or estimated net realizable value.
- b) The basis of determining cost of inventories are as follows:
 - i) Stock of Raw materials, Stores and Spares : Cost on FIFO basis
 - ii) Finished goods / Goods in process : Includes an appropriate share of manufacturing, other overheads and depreciation
- c) Excise duty is added in the Closing Inventory of Finished Goods.

(vii) Retirement Benefits

- a) Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b) Post employment and other long term benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Statement of Profit and Loss.

(viii) Accounting for Taxes on Income

- a) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- b) Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.

(ix) Operating Leases

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on accrual basis in accordance with the respective lease agreements.

(x) Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

(xi) Provisions, Contingent Liabilities and Contingent Assets

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

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(Amount in Rupees)

NOTES 3 SHARE CAPITAL :

		2013	2012
Authorised			
4,600,000	Equity Share of Rs.10/-each	46,000,000	46,000,000
25,000	Redeemable Cumulative Preference Shares of Rs. 100/- each	2,500,000	2,500,000
15,000	Unclassified Shares of Rs.100/- each	1,500,000	1,500,000
8,000,000	12% Redeemable Cumulative Preference shares of Rs. 10/- each.	80,000,000	80,000,000
6,000,000	9% Redeemable Cumulative Preference shares of Rs. 10/- each.	60,000,000	60,000,000
Total		190,000,000	190,000,000
Issued, Subscribed and Paid-up			
2,700,000	Equity Shares of Rs. 10/- each fully paid up	27,000,000	27,000,000
8,000,000	12% Redeemable Cumulative Preference shares of Rs. 10/- each fully paid-up.	80,000,000	80,000,000
6,000,000	9% Redeemable Cumulative Preference shares of Rs. 10/- each fully paid-up.	60,000,000	60,000,000
Total		167,000,000	167,000,000

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year.

	2013		2012	
	Number of equity shares	Amount in Rupees	Number of equity shares	Amount in Rupees
At the beginning of the year	27,000,000	27,000,000	2,700,000	27,000,000
Movements during the year	-	-	-	-
Outstanding at the end of the year	27,000,000	27,000,000	2,700,000	27,000,000

b. Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting year.

	2013		2012	
	Number of equity shares	Amount in Rupees	Number of equity shares	Amount in Rupees
At the beginning of the year	14,000,000	14,000,000	14,000,000	14,000,000
Movements during the year	-	-	-	-
Outstanding at the end of the year	14,000,000	14,000,000	14,000,000	14,000,000

c. Terms / right attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. All issued shares rank pari-passu and have same voting rights per share. The company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Terms / right attached to Redeemable Cumulative Preference Shares

(i) 8,000,000 12% Redeemable Cumulative Preference shares of Rs. 10/- each fully paid up (allotted on 19 August 1999) are redeemable at any time after the expiry of three years from the date of allotment with prior approval of the financial institutions or even before three years from the date of allotment provided that the Company settles its dues with the financial institutions. These shares are yet to be redeemed by the company.

(ii) 6,000,000 9% Redeemable Cumulative Preference shares of Rs. 10/- each fully paid up (allotted on 12 September 2002) are redeemable at any time after the expiry of three years from the date of allotment with prior approval of the financial institutions or even before three years from the date of allotment provided that the Company settles its dues with the financial institutions. These shares are yet to be redeemed by the company.

e. Details of shareholders holding more than 5% shares in company

	2013		2012	
	Number of equity shares	% Holding	Number of equity shares	% Holding
Mrs. Kaveeta Goel	1,057,146	39.15	1,057,146	39.15
Mr. Vaibhav Goel	370,735	13.73	370,735	13.73
Dhoot Industrial Finance Ltd.	273,950	10.15	272,700	10.10
Life Insurance Corporation of India Limited	240,000	8.89	240,000	8.89
New India Assurance Company Limited	180,000	6.67	180,000	6.67

	2013		2012	
	Number of shares	% Holding	Number of shares	% Holding
Preference Shares ERP Infrastructure Projects Private Limited	14,000,000	100	14,000,000	100

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(Amount in Rupees)

NOTES 4 RESERVES AND SURPLUS :

	2013	2012
(a) Capital Reserve - As per last Balance Sheet	926,071	926,071
	926,071	926,071
(b) Securities Premium - As per last Balance Sheet	45,000,000	45,000,000
	45,000,000	45,000,000
(c) Capital Redemption Reserve - As per last Balance Sheet	1,000,000	1,000,000
	1,000,000	1,000,000
(d) Revaluation Reserve - As per last Balance Sheet	16,086,822	16,086,822
	16,086,822	16,086,822
(e) Surplus / (deficit) in the statement of profit and loss As per last Balance Sheet	(474,119,081)	(453,361,334)
Profit / (loss) for the year	(22,317,600)	(20,757,747)
	(496,436,681)	(474,119,081)
Total	(433,423,788)	(411,106,188)

NOTE - 5 PROVISIONS

	Long - term		Short - term	
	2013	2012	2013	2012
Provision for employee benefits				
Provision for Retirement Benefits	-	35,042	340,316	331,349
Total	-	35,042	340,316	331,349

NOTE - 6 SHORT - TERM BORROWINGS

	2013	2012
(a) From Government of Maharashtra (Unsecured Loan)	1,364,649	1,364,649
(b) Inter-corporate Loans (Unsecured Loan)	246,506,520	242,876,520
Total	247,871,169	244,241,169

- (i) Loan from Government of Maharashtra of Rs. 1,364,649 (Rs.1,364,649) carries interest @ 12.50% p.a.
(ii) Inter-corporate Loans of Rs. 13,399,656 (Rs. 9,769,656) carries interest @ 9% p.a.
(iii) Inter-corporate Loans of Rs. 233,106,864 (Rs.233,106,864) carries interest @ 6% p.a.

NOTE - 7 OTHER CURRENT LIABILITIES

	2013	2012
Interest accrued and due #	50,205,369	34,813,995
Statutory liabilities	1,703,796	99,421
Creditors / provision for expenses	3,812,027	3,712,829
Other payables	-	59,122
Total	55,721,192	38,685,367

Period and amount of continuing default are stated as under:

	2013	2012
0 to 365 Days	15,391,374	15,737,395
More than 365 Days	34,813,995	19,076,600
Total	50,205,369	34,813,995

includes interest of Rs. 50,205,369 (Rs. 34,813,995) which is overdue.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****NOTE 8 : FIXED ASSETS**

(Amount in Rupees)

Description of Assets	Gross Block			Depreciation				Net Block	
	As at 01-04-2012	Additions (Deductions)	As at 31-03-2013	upto 31-03-2012	For the year	Deductions	Upto 31-03-2013	As at 31-03-2013	As at 31-03-2012
Tangible Assets									
Land	16,171,502	-	16,171,502	-	-	-	-	16,171,502	16,171,502
Plant and Machinery	993,984	-	993,984	944,284	-	-	944,284	49,700	49,700
Factory Building	38,354,239	-	38,354,239	21,265,772	1,281,032	-	22,546,804	15,807,435	17,088,467
Furniture and Fixtures	922,879	-	922,879	885,952	-	-	885,952	36,927	36,927
Office Equipments	183,603	-	183,603	160,261	8,700	-	168,961	14,642	23,342
Computers	356,806	-	356,806	338,966	-	-	338,966	17,840	17,840
Total	56,983,013	-	56,983,013	23,595,235	1,289,732	-	24,884,967	32,098,046	33,387,778
Previous year	56,983,013	-	56,983,013	22,305,503	1,289,732	-	23,595,235	33,387,778	

Note:- The company had written up the value of freehold factory land as on 1 April, 1991 by Rs. 16,086,822/- as per the valuation report dated 27 December 1991 of M/s. Budhbhatti & Associates (Chartered Engineers). The revaluation amount was taken as Revaluation Reserve under the Reserves and Surplus.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(Amount in Rupees)

NOTE - 9 LOANS AND ADVANCES

(Unsecured and considered good, unless otherwise stated)

	Long - term		Short - term	
	2013	2012	2013	2012
Security deposits	48,688	48,688	-	-
Other advances	2,051,847	2,051,847	501,558	-
Balances with Govt authorities				
- Direct taxes (net of provisions)	793,120	793,120	-	811,122
- Indirect taxes	1,939,588	1,939,588	-	-
Prepaid expenses	-	-	11,187	9,795
Total	4,833,243	4,833,071	512,745	820,917

NOTE - 10 CASH AND BANK BALANCES

Cash and cash equivalents

	2013	2012
Balances with banks in Current account	46,463	5,356
Cash on hand	18,392	139,617
Total	64,855	144,973

NOTE - 11 OTHER INCOME

	2013	2012
Rent received	300,000	300,000
Interest Received on income tax	138,785	-
Total	438,785	300,000

NOTE - 12 EMPLOYEE BENEFITS EXPENSES

	2013	2012
Managerial Remuneration	584,017	565,513
Salaries, wages and allowances	688,794	1,240,371
Contribution to provident and other funds	396	396
Staff welfare expenses	19,185	24,294
Total	1,292,392	1,830,574

NOTE - 13 OTHER EXPENSES

	2013	2012
Security charges	874,512	806,270
Repairs to others	57,527	46,843
Insurance	39,785	41,159
Rent	18,600	18,600
Rates and Taxes	769,401	308,878
Travelling and Conveyance expenses	56,455	32,288
Payment to auditors (refer note below)	64,086	37,503
Legal and Professional Fees	844,973	664,298
Printing and Stationery	38,873	27,009
Directors' sitting fees	25,000	24,000
Communication expenses	2,874	10,146
Miscellaneous expenses	298,499	106,706
Total	3,090,585	2,123,700

NOTES FORMING PART OF THE FINANCIAL STATEMENT
(Amount in Rupees)
Payment to auditors

	2013	2012
- Audit Fee	28,075	27,575
- Certification and other matters	34,326	8,273
- Reimbursement of expenses	1,685	1,655
Total	64,086	37,503

NOTE - 14 FINANCE COST

	2013	2012
Interest expenses - Others	17,082,664	15,810,946
Bank Charges	1,012	2,795
Total	17,083,676	15,813,741

15. The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31 March 2013.

16. CONTINGENT LIABILITIES NOT PROVIDED FOR:
(Amount in Rupees)

Particulars	2013	2012
Disputed Indirect Taxes	11,000,969	10,646,353
Disputed Direct Taxes	306,306	-
Dividend on preference share capital	195,672,329	180,672,329
Claims not acknowledged as debts	4,077,416	4,077,416

17. TAXATION

In view of losses incurred during the year, as per the provisions of the Income Tax Act, 1961, provision for current tax is not required to be made. Further, the amount of deferred tax assets is not being accounted in view of uncertainty as to absorption of losses in the foreseeable future based on the current level of operation of the company.

18. The Company has closed its commercial operations since 25 September 1998. The net worth of the Company is fully eroded due to accumulated losses and the Company has become a Sick Industrial Company within the meaning of Section 3(1)(O) of the Sick Industrial Companies (Special Provision) Act, 1985 and therefore, application had been made to the Board for Industrial and Financial Reconstruction (BIFR) according to the provisions of the said Act to consider the proposal for the rehabilitation of the Company. The Board for Industrial and Financial Reconstruction had rejected the application. The Company had also become a Sick Industrial Company u/s 2(46AA) of the Companies Act, 1956.

In view of the above and in absence of suitable rehabilitation measures, the Company is no longer a going concern. However, the Company has not made any adjustment to accounts relating to recoverability of recorded asset amounts and in respect of liabilities as might be necessary for compilation, where the Company is no longer a going concern. The effect on the loss for the year and net worth of the Company is not ascertained.

19. (i) In the opinion of the Board of Directors, the current assets and loans and advances are at least of the value stated, if realized in the ordinary course of business and necessary provision for all known liabilities has been made except stated otherwise.

- (ii) Certain debit and credit balances are subject to confirmation, reconciliation and adjustments.

20. Operating Lease

- (i) a) The Company has taken residential / commercial premises under cancelable operating leases. These lease agreements are normally renewed on expiry.
 b) The rental expenses in respect of operating leases are Rs.18,600 (Rs.18,600).
- (ii) a) The Company has given on lease the commercial premises under cancelable operating lease.
 b) Sub-lease payments received (or receivable) recognized in the Statement of Profit and Loss for the year is Rs. 300,000 (Rs. 300,000).

21. Employee Benefits

As per Accounting Standard - 15 "Employee Benefits", the disclosures of employee benefits as defined in the Accounting Standard are given below:

The employees' gratuity fund scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

- I. Expenses recognised during the year ended 31 March 2013 (under the head "Employee benefit expenses")

(Amount in Rupees)

	2013		2012	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	12,709	17,077	16,810	23,943
Interest cost	19,118	2,535	22,947	5,651
Expected return on plan assets	-	-	-	-
Actuarial (gain) / loss	81,422	32,516	(23,968)	(36,468)
Net Cost	113,249	52,128	15,789	(6,874)

- II. Net Asset / Liability recognised in the Balance Sheet as at 31 March 2013

(Amount in Rupees)

	2013		2012	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Fair value of plan assets	-	-	-	-
Present value of obligation	288,572	51,744	302,627	63,764
Amount recognized in Balance Sheet	288,572	51,744	302,627	63,764

III. Reconciliation of opening and closing balances of Defined Benefit obligation

(Amount in Rupees)

	2013		2012	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit obligation as at the beginning	302,627	63,764	286,838	70,638
Current service cost	12,709	2,535	16,810	23,943
Interest cost	19,118	17,077	22,947	5,651
Actuarial (gain) / loss on obligation	81,422	32,516	(23,968)	(36,468)
Benefit paid	(127,304)	(64,148)	-	-
Defined Benefit obligation as at the closing	288,572	51,744	302,627	63,764

IV. Actuarial assumptions

(Amount in Rupees)

	2013		2012	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount rate (per annum)	8%	8%	8%	8%
Expected rate of return on plan assets (per annum)	-	-	-	-
Rate of escalation in salary (per annum)	1%	1%	1%	1%

Notes:

- (a) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment.
- (b) "Contribution to provident and other funds" is recognized as an expense in Note 12 of the Statement of Profit and Loss.

22. Related Party Disclosure

Related parties with whom transactions have taken place during the year and balances outstanding at the year end.

- a) **Other related party where the director / their relative have significant influence**

Ayeppee Lamitubes Limited

- b) **Directors of the Company**

Non-Executive Directors : Mr. Ashok Goel

Mr. J. M. Fernandes

Mr. R. Chandrasekhar (Resigned with effect from 31.01.2013)

Mr. Mohender Garg

Transactions with Related Party

a) Transactions during the year ended 31 March 2013

(Amount in Rupees)

	2013	2012
Interest Expense		
Ayepee Lamitubes Limited	1,137,880	720,586
Rent Income		
Ayepee Lamitubes Limited	300,000	300,000
Loan taken		
Ayepee Lamitubes Limited	3,900,000	5,598,931
Repayment of Loan taken		
Ayepee Lamitubes Limited	270,000	270,000

b) Balances outstanding as at 31 March, 2013

(Amount in Rupees)

	2013	2012
Unsecured Loan		
Ayepee Lamitubes Limited	13,399,656	9,769,656
Interest Payable		
Ayepee Lamitubes Limited	1,978,277	954,185

23. Managerial Remuneration

The Company has made payment to Manager within the limit of Schedule XIII of Companies Act, 1956. Details of Remuneration paid / payable to the Manager are as stated below:

(Amount in Rupees)

	2013	2012
Salaries, Allowances and Perquisites *	559,177	540,673
Contribution to Provident Fund	24,840	24,840
Total	584,017	565,513

* Excludes leave encashment and gratuity which is based on actuarial valuation provided on an overall basis.

24. Other additional information pursuant to Revised Schedule VI to the Companies Act, 1956 are either nil or not applicable.

25. The Company does not have any manufacturing activity during the financial year. Accordingly, Accounting Standard-17 "Segment Reporting" is not applicable.

26. Other Expenses includes prior period expenses pertaining to earlier period:

	Amount
Travelling and Conveyance expenses	17,673
Miscellaneous expenses	180,744

27. Prior year Comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures

As per our attached report of even date

For **MGB & Co.**
Chartered Accountants
Firm Registration Number 101169W

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, May 29, 2013

For and on behalf of the Board
ASHOK GOEL Director
J. M. FERNANDES Director
SURESH KUMAR SURI Manager
ANJALI SINGH Company Secretary

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	13064	State Code.	11
Balance Sheet Date	31/3/2013		

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

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

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

Sources of Funds		Application of Funds	
Paid up Capital	167,000	Non-Current Assets	36,931
Reserves and Surplus	-433,424	Current Assets	578
Secured Loans	0	Losses	0
Non-Current Liabilities	0		
Current Liabilities	303,933		
Total Liabilities	37,509	Total Assets	37,509

I. Performance of Company (Amount in Rs. Thousands)

Turnover	439
Total Expenditure	22,756
Losses	22,317
Losses per Share (Rs.)	(13.82)
Dividend Rate	Nil

II Generic Names of Three Principal Products of Company (as per monetary terms)

Product Description	Item Code No. (ITC Code)
Paper Board	4805.19
Kraft Paper	4804.19
Duplex Board	4805.3

For and on behalf of the Board of Directors

ASHOK GOEL	Director
J. M. FERNANDES	Director
SURESH KUMAR SURI	Manager
ANJALI SINGH	Company Secretary

Place : Mumbai

Date : May 29, 2013

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2013

(Amount in Rupees)

	2013	2012
A. Cash Flow from Operating Activities		
(Loss) before tax	(22,317,600)	(20,757,747)
Adjustments for :		
Depreciation/Amortisation expenses	1,289,732	1,289,732
Interest expenses	17,082,664	15,810,946
Operating Loss before Working Capital Changes	(3,945,204)	(3,657,069)
Adjustments for :		
Trade and other receivables	(503,122)	(294,581)
Trade and other payables	1,618,376	(1,553,260)
Cash from (used in) Operating Activities	(2,829,950)	(5,504,910)
Taxes (paid)	811,122	(30,000)
Net Cash used in Operating Activities	(2,018,828)	(5,534,910)
B. Cash Flow from Investing Activities		
Net Cash from Investing Activities	-	-
C. Cash Flow from Financing Activities		
Proceeds from Borrowings	3,900,000	5,525,380
Repayment of Borrowings	(270,000)	(270,000)
Interest paid	(1,691,290)	-
Net Cash from Financing Activities	1,938,710	5,255,380
Net Changes in Cash & Cash Equivalents (A+B+C)	(80,118)	(277,530)
Cash and Cash Equivalents - Opening Balance	144,973	422,503
Cash and Cash Equivalents - Closing Balance	64,855	144,973
Notes:		
1 Cash and Cash Equivalents		
Cash on hand	18,392	139,617
Balances with Scheduled Banks - in current account	46,463	5,356
Total	64,855	144,973
2 Previous year's figures have been regrouped/recast wherever necessary.		

As per our attached report of even date

For **MGB & Co.**
Chartered Accountants
Firm Registration Number 101169W

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, 29th May 2013

For and on behalf of the Board
ASHOK GOEL Director
J. M. FERNANDES Director
SURESH KUMAR SURI Manager
ANJALI SINGH Company Secretary

ATTENDANCE SLIP

SOLID CONTAINERS LIMITED

Regd. Office : 2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033. TEL : 2375 9846

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

1. Name & Address of shareholder(s) : L.F. No. :
 No. of Equity
 Shares held :
2. Name of Proxy :
 (to be filled in, if the proxy attends instead of the member)

I/we hereby record my/our presence at the Annual General Meeting of the Company at 2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033, **on Thursday, September 26, 2013 at 12.00 noon.**

Signature of Shareholder or proxy
(to be signed at the time of
handing over this slip)

NOTES :

- Shareholders/proxy holders are requested to bring the Attendance Slip with them when they come to the Meeting and hand it over at the gate after affixing their signature on it.
- Shareholders who come to attend the meeting are requested to carry their copy of the Annual Report with them.
- Shareholders are requested to advise, indicating their Folio Nos., the change in their addresses, if any, to Solid Containers Ltd, 2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033

FORM OF PROXY

SOLID CONTAINERS LIMITED

Regd. Office : 2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033
TEL : 2375 9846

(Regd. Folio No. & Name of the Shareholder/Joint Holders and Addresses as registered with the Company in BLOCK LETTERS to be furnished below)

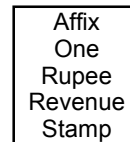
I/We of
being a member/members of SOLID CONTAINERS LIMITED hereby appoint
..... ofor failing
him/her..... ofas my/our
proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033, **on Thursday, September 26, 2013 at 12.00 noon** and at any adjournment thereof.

Name & Address Shareholder(s) :

Signed thisday of.....2013

Folio No.....

No. of Shares held.....



Signature of the Shareholder

Note : The Proxy form duly completed and stamped must be lodged with the Registered Office of the company not less than 48 hours before the scheduled time for commencement of the aforesaid Meeting.

BOOK-POST

If undelivered please return to :

SOLID CONTAINERS LIMITED

2006, Fossberry Road, Near ICI Limited,
Reay Road, Mumbai - 400 033.

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