



PRECISION CONTAINERS LIMITED

30TH ANNUAL GENERAL MEETING 2010-2011

CORPORATE INFORMATION

BOARD OF DIRECTORS

DR. JAYESH VINODRAI VALIA
Executive Chairman

MR. AJAY NAUTAMLAL JANI
Director

MR. BABULAL BANSILAL JAIN
Director

MR. GANESAN VENKATRAMAN
Director

30TH ANNUAL GENERAL MEETING

DATE
August 26, 2011

DAY
Friday

TIME
2.00 p.m.

PLACE
The No. 1 Party Hall, Building No.1,
Sumer Nagar, S. V. Road,
Kora Kendar Bus Stop,
Borivli (West), Mumbai 400 092.

STATUTORY AUDITORS

M/s. KAKARIA & ASSOCIATES
Chartered Accountants

REGISTERED OFFICE

401, Court Chambers, 4th Floor, S. V. Road,
Borivli (W), Mumbai - 400 092.

REGISTRAR & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Ltd.

BANKERS/ FINANCIAL INSTITUTIONS

Bank of India
IDBI Bank Ltd.
Gujarat State Financial Corporation

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PRECISION CONTAINEURS LIMITED

NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of PRECISION CONTAINEURS LIMITED, will be held on Friday, August 26, 2011, at The No.1 Party Hall, Building No. 1, Sumer Nagar, S. V. Road, Kora Kendar Bus Stop, Borivli (West), Mumbai 400 092, at 2.00 p.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011, and the Profit and Loss Account for the year ended on that date along with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Ajay Nautamlal Jani, a Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

INTERCORPORATE LOANS AND INVESTMENTS

"RESOLVED THAT approval be and is hereby accorded to the Board of Directors of the Company :

- (a) To make any loan to any other body corporate
- (b) Give any guarantee or provide security in connection with a loan made by any other person to, or any other person or any body corporate and
- (c) To acquire by way of subscription, purchase or otherwise the securities of any other bodies corporate, aggregate of the loans and investments so far made, the amounts for which guarantees or securities so far provided to or in all other bodies corporate alongwith the investments, loans, guarantees or securities proposed to be made or given by the board exceeding the limits of 60% of its paid up Share Capital and free reserves or 100% of free reserves whichever is higher as provided in Section 372A of the Companies Act, 1956 and amendments, enactments made thereto up-to-date"

"FURTHER RESOLVED THAT Approval be and is hereby accorded to the Board of Director, to take/give/take inter-corporate Loans, Advances, Guarantees, make Investments etc. as detailed at (a), (b) and (c) above upto Rs. 100 crores (Rupees One hundred crores only)".

"FURTHER RESOLVED THAT action taken by the Board of Directors of the Company in the previous years/past with respect to provisions of Section 372A of the Companies Act, 1956, referred to above resolution be and they are hereby approved and ratified".

BY ORDER OF THE BOARD

**(DR. JAYESH V. VALIA)
EXECUTIVE CHAIRMAN**

REGISTERED OFFICE

401, Court Chambers
4th Floor, S. V. Road,
Borivli (West),
Mumbai 400 092.

PLACE : MUMBAI
DATED : 15.7.2011

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/HERSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and The Share Transfer Registers will remain closed between 19.8.2011 and 26.8.2011 (both days inclusive).
3. An Explanatory Statement under Section 173 of the Companies Act, 1956, dated 15.7.2011 and forming part of this Notice dated 15.7.2011 is enclosed herewith.
4. The members are requested to :
 - a) Intimate changes, if any, in their registered addresses at an early date.
 - b) Quote ledger folio nos. in all their correspondence.
 - c) Bring copies of the Annual Report and the Attendance Slips at the Annual General Meeting.

30TH ANNUAL REPORT 2010-2011

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, AND FORMING PART OF THE NOTICE CONVENING, THE 30TH ANNUAL GENERAL MEETING AND DATED 15.7.2011

ITEM NO. 4

INCORPORATE LOANS AND INVESTMENTS

Board of Directors of the Company are required to take the decision in the Ordinary course of business to make intercorporate Loans, give guarantees, make investments, subscribe or purchase securities, shares etc. to the/of the other bodies corporate, provisions of Sec. 372(A) of the Companies Act 1956, permits to (a) make any loan to any other body corporate (b) give any guarantee or provide security, in connection with a loan made by any other person to or any other person by any body corporate (c) acquire by way of subscription purchase or otherwise the security of any other corporate upto 60% of its paid up capital and free reserves or 100% of its free reserves whichever is higher. If the intercorporate loans, guarantees, investments referred at (a), (b) & (c) exceeds these limits special resolution is required to be passed in the general meeting by the members of the company. Your Companies intercorporate loans, guarantees, investments have exceeded these limits and in future also they may exceed to meet exigencies of business for smooth operations. Board is sitting approval to take / give inter corporate loans, advances, guarantees at (a), (b) & (c) above upto Rs. 100 crores Hence this Special Resolution.

Directors recommend this resolution for members' approval.

None of the Directors is interested or concerned in the resolution, other than Dr. Jayesh Vinodrai Valia who can be deemed as interested or concerned to the extent of his holding in the group companies.

BY ORDER OF THE BOARD

**(DR. JAYESH V. VALIA)
EXECUTIVE CHAIRMAN**

REGISTERED OFFICE

401, Court Chambers,
4th Floor, S.V. Road,
Borivli (West),
MUMBAI 400 092.

PLACE : MUMBAI
DATED : 15.7.2011



PRECISION CONTAINERS LIMITED

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the Thirtieth Annual Report and the Audited Statement of Accounts of your Company for the year ended on 31st March, 2011.

FINANCIAL RESULTS

	(Rupees in Lacs)	
	Year ended 31/3/2011	Year ended 31/3/2010
Turnover	NIL	NIL
Profit/(Loss) Before Depreciation, Finance Charges & Taxation	(68.28)	(52.84)
Profit/(Loss) before Depreciation & Taxation	(73.64)	(53.09)
Profit/(Loss) after Depreciation & Taxation	(161.61)	(131.87)
Surplus (Deficit) of Profit and Loss Account of earlier year	(128.59)	(98.44)
Balance carried over to Balance Sheet	(162.78)	(128.59)

DIVIDEND

During the year under review, owing to accumulated losses, the Directors do not recommend any dividend.

FIXED DEPOSITS

The Company has not invited or accepted any Fixed Deposits from the public, during the year under review.

DIRECTORS

During the year under review Mr. Ajay Nautamlal Jani, retires by rotation at the conclusion of this meeting and being eligible offers himself for re-election.

Mr. Shashikant Krishna Kittur ceased to be the Executive Director cum Company Secretary with effect from August 11, 2010, due to his expiry. The Board placed on record its appreciation for the valuable services rendered by him during his tenure as Executive Director cum Company Secretary of the Company. His memory will always be cherished and engraved in the minds of the company.

REFERENCE TO BIFR

Your Company has been declared sick by the Honourable Board for Industrial And Financial Reconstruction, New Delhi, (BIFR) on 19th September, 2005, and your Company has filed Rehabilitation Scheme as required with the concerned Authorities in the prescribed time. Future course of action is to be initiated by the Hon'ble BIFR Bench.

DIRECTORS' RESPONSIBILITY STATEMENT

Statement under sub-section (2AA) of Section 217 of the Companies Act, 1956:

In the preparation of the Annual Accounts:

- the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given.
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Accounts have been prepared on a going concern basis.

PERSONNEL

The Personnel relations with the employees at all levels continued to remain cordial and peaceful during the year under review.

PARTICULARS OF EMPLOYEES

There were no employees who were in receipt of remuneration in excess of the amount prescribed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with 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 is given in the Annexure 'B' forming part of this Report. Form 'A' requiring disclosure of particulars with respect to Conservation of Energy is not applicable in the case of your Company.

STOCK EXCHANGE

The Company is listed on the following Stock Exchange.

- Bombay Stock Exchange Ltd.

Your Company is listed on Bombay Stock Exchange Ltd. and the Annual Listing fee Has been paid.

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FUTURE PROSPECTS

The Directors trust that the future prospects are encouraging for the Company as the Plant and Machinery is the most ultra modern and sophisticated and your Company's products have got recurring demand and they have been used in Industrial Application.

AUDITORS

The Statutory Auditors M/s. Kakaria & Associates, Chartered Accountants, Vapi are eligible to be re-appointed. The Directors recommend M/s. Kakaria & Associates, Chartered Accountants, Vapi, to be re-appointed as Statutory Auditors.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd., the Management Discussion and Analysis and the Report on Corporate Governance together with Auditors Certificate form a part of the Annual Report.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere appreciation of the dedicated and devoted services rendered by the employees of the Company at all levels and are grateful to the Company's Bankers, Financial Institutions for their timely assistance and co-operation in the working of the Company. Your Directors also thank the customers, shareholders and the suppliers of services to your Company for their co-operation and valuable support.

FOR AND ON BEHALF OF THE BOARD

(DR. JAYESH V. VALIA)
EXECUTIVE CHAIRMAN

PLACE : MUMBAI
DATED : 15.7.2011

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Particulars as required under Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March, 2011.

I. RESEARCH & DEVELOPMENT (R & D)

a) Specific areas in which R & D carried out by the Company.	None
b) Benefits derived as a result of the above R & D	None
c) Further plan of action	None
d) Expenditure on Research & Development	Nil

II. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

a) Efforts in brief made towards Technology, Absorption, Adaptation and Innovation	Nil
b) Benefit derived as a result of the above effort	Nil
c) Particulars of Technology imported during the last 5 years	Nil

III. FOREIGN EXCHANGE EARNINGS & OUTGO

a) Activities relating to exports and export plans	Nil	
	Current Year Rs.	Previous Year Rs.
b) Total Foreign Exchange Used & Earned :		
i) Foreign Exchange Used	Nil	Nil
ii) Foreign Exchange Earned	Nil	Nil

FOR AND ON BEHALF OF THE BOARD

(DR. JAYESH V. VALIA)
EXECUTIVE CHAIRMAN

PLACE : MUMBAI
DATED : 15.7.2011

**CORPORATE GOVERNANCE REPORT****1. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

PRECISION CONTAINEURS LIMITED (PCL) firmly believes that good Corporate Governance results in regulation of the affairs of your Company in a most transparent, ethical and accountable manner. This is not only the need of the hour but also a means to satisfy the aspirations of all those concerned with Corporate World.

Adherence to Corporate Governance ensures greater level of transparency and accountability, fairness in operations, full disclosure, integrity and compliance of laws. Your Company is Committed to administer good Corporate Governance to the extent possible even during its continued sickness and other related matters.

PRECISION CONTAINEURS LIMITED recognizes the value of adherence to Corporate Governance in its true sense which alone can ensure continuation of belief and the trust reposed by one and all in your company.

2. TABLE OF DETAILS OF DIRECTORS, NO. OF MEETINGS HELD, FEES PAID AND ATTENDANCE AT THE AGM AS ON 31/3/2011

Name of Directors	AGM Held on 30/09/2010	No. of Meetings in a Year	Attendance	Fees
1) Dr. Jayesh Vinodrai Valia - Executive Chairman	Yes	7	6	Nil
2) Mr. Ajay Nautamlal Jani - Director	No	7	1	Nil
3) Mr. Babulal Bansilal Jain - Independent Director	Yes	7	5	5,000
4) Mr. Ganesh Venkatraman - Independent Director	Yes	7	3	3,000

2. AUDIT COMMITTEE**TABLE OF DETAILS OF DIRECTORS, NO. OF AUDIT COMMITTEE MEETINGS HELD, FEES PAID AND ATTENDANCE AS ON 31/3/2011**

	No. of Meetings in a Year	Attendance	Fees
1) Mr. Ajay Nautamlal Jani - Director - Member / Director	1	0	Nil
2) Mr. Babulal Bansilal Jain - Member/Independent Director	1	1	Nil
3) Mr. Ganesan Venkatraman - Chairman of Committee/Independent Director	1	1	Nil

2.1 Terms of Reference to Audit Committee in Brief

The Terms of the reference of the Audit Committee are those prescribed under clause 49 of the Listing Agreement including inter-alia the review of financial results before submission to the Board for approval to ensure that the financial statements are correct and present true and fair view, interaction with Statutory Auditors, recommendation of appointment and payment of audit fees to the Auditors and to review the adequacy of internal control systems.

3.1 Shareholders/Investor Grievance Committee

Shareholder/Investor Grievances Committee consists of Mr. Babulal Bansilal Jain, Mr. Ajay Nautamlal Jani and Dr. Jayesh Vinodrai Valia.

3.2 Broad terms of Reference to Shareholders/Investor Grievances Committee

To approve Share Transfers, to review and advise the Company on any grievance in relation to

- (a) Non-transfer of shares
- (b) Non-receipt of Annual Report
- (c) any other grievance raised by any shareholder

3.3 Status of Investor Complaints

No complaints were received from the Investors during the year under review.

3.4 Compliance Officer - Dr. Jayesh Vinodrai Valia**3.5 MARKET PRICE DATA : high, low, during each month (Bombay Stock Exchange Ltd.) from April 2010 to March 2011**

MONTH	HIGH (RS)	LOW (RS)
APRIL	3.40	2.95
MAY	3.15	2.49
JUNE	3.19	2.68
JULY	3.17	2.50
AUGUST	2.83	2.36
SEPTEMBER	2.94	2.35
OCTOBER	3.99	2.56
NOVEMBER	3.76	2.68
DECEMBER	3.04	2.26
JANUARY	2.62	1.82
FEBRUARY	1.99	1.35
MARCH	1.80	1.22

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Details of Annual General Meeting held in three previous years

DATE	TIME	VENUE OF AGM
Tuesday, 30th September, 2008	1.00 p.m.	Shree Rajasthan Jain Sangh Hall, Jamballi Galli, Borivli (West), Mumbai 400 092.
Wednesday, 30th September, 2009	2.00 p.m.	Shree Rajasthan Jain Sangh Hall, Jamballi Galli, Borivli (West), Mumbai 400 092.
Thursday, 30th September, 2010	2.00 p.m.	Shree Rajasthan Jain Sangh Hall, Jamballi Galli, Borivli (West), Mumbai 400 092.

4. Financial Calendar (2010 - 2011)

Annual General Meeting for the year ended 31st March, 2011.

Date : Friday 26th August, 2011 at 2.00 p.m. : Information sent by separate communication.

5. **Book Closure Date** : 19.8.2011 to 26.8.2011 (Both days includes)
6. **Dividend Payment Date** : Not applicable since dividend not recommended.
7. **Registered Office** : 401, Court Chambers, S. V. Road, Borivli (West), Mumbai 400 092.
8. **Listing on Stock Exchange** : Equity Shares
Bombay Stock Exchange Ltd.,
Dalal Street, Mumbai 400 001.
9. **Stock Market Information**
i) Stock Code : EQUITY CODE NO.: 523874
Bombay Stock Exchange Ltd.
10. **Registrars & Transfer Agents** : M/s. Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Industrial Premises, Safeed Pool, Andheri Kurla Road, Andheri (East) Mumbai - 400 072.

Share Transfer System : Your Company's Equity Shares are admitted with the Depository System of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as an eligible security under the Depositories Act, 1996. As such, facilities for dematerialisations of your Company's Equity Shares are available vide INE No.191 CO 10 15 at both the depositories. Your Company's Equity Shares are under compulsory dematerialisation.

11. a. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2011 OF EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP

No. of Equity Shares held	No. of Share Holders	% of Holders	No. of Shares Held	% of Shares Held
001- 5000	15661	96.78	9555909	42.69
5001-10000	285	1.76	2206314	9.86
10001-100000	222	1.37	5753935	25.71
100001-above	15	0.09	4865042	21.74
TOTAL	16183	100.00	22381200	100.00

b. CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2011 OF EQUITY SHARES OF RS.10/- EACH FULLY PAID UP

Particulars	No. of Shares	% to Total Share Holding
Promoters group	2628421	11.74
Financial Institutions/Banks/Insurance Companies/Mutual Funds	733411	3.28
FII's/NRIs/OCBs/Other Foreign Shareholders (Other than Promoter Group)	—	—
Bodies Corporate	3040398	13.59
Public & Others	15978970	71.39
TOTAL	22381200	100.00



PRECISION CONTAINERS LIMITED

12. Dematerialisation of Shares and Liquidity :

Approximately 91.39% of the Equity Shares have been dematerialised upto 31st March, 2011. Trading in Equity Shares of your Company is permitted only in dematerialised form compulsorily as per notification issued by the Securities and Exchange Board of India.

13. i) **Materially significant related party transactions that may have potential conflict with the interests of company**

The Company does not have material significant related party transactions i.e. transactions of the company of material nature with its Promoters, Directors of the Management, or their subsidiaries or relatives etc. that may have potential conflicts with the interest of the Company at large. However Disclosure of Transactions with any related party have been made in the Balance-Sheet in Schedule No. J Notes to Accounts at Note No.10.

ii) **Non-Compliance by the Company, penalties, strictures imposed on the Company by Bombay Stock Exchange Ltd. or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years**

- None

iii) **Details of Compliance with mandatory requirements and adoption of the non-mandatory requirement of this clause**

The Company has complied with mandatory requirements and None of the Independent Directors on our Board has served for a tenure exceeding nine years.

14. Means of Communication :

The Quarterly/Half Yearly Unaudited Financial Results/Audited Financial Results are published in Navshakti and Free Press Journal, Bombay Stock Exchange Ltd. The notices to the shareholders are published in Navshakti and Free Press Journal.

15. Auditors' Certificate on Corporate Governance :

Your Company has obtained a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd. This is annexed to the Directors' Report. The Certificate will also be sent to Bombay Stock Exchange Ltd. alongwith the Annual Accounts to be filed by the Company.

16. Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd. following information are furnished about the Directors proposed to be Appointed/Reappointed, vide item No. 2 of the Notice dated 15.7.2011.

2. Name of the Director	:	MR. AJAY NAUTAMLAL JANI
Date of Birth	:	February 23, 1969
Date of Appointment on the Board as Director	:	August 31, 2005
Qualification	:	B.A. APRENTICE
Number of Equity Shares held in the Company by the Director or for other persons on a beneficial basis	:	NIL
List of outside Directorships held in Public Companies	:	VAS INFRASTRUCTURE LTD.
Chairman/Member of the Committees of Board of Directors of the Company	:	Audit Committee
Chairman/Member of the Committees of Board of Directors of other Company in which he is a Director.	:	Member Audit Committee Vas Infrastructure Ltd.
Relationship with other Directors	:	NIL

FOR AND ON BEHALF OF THE BOARD

(DR. JAYESH V. VALIA)
EXECUTIVE CHAIRMAN

PLACE : MUMBAI
DATED : 15.7.2011

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AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
PRECISION CONTAINEURS LIMITED

We have examined compliance of conditions of Corporate Governance by Precision Containeurs Ltd. for the year ended on **March 31, 2011**, as stipulated in clause 49 of the Listing Agreement of the said company with the Bombay Stock Exchange Ltd.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. 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, we certify that the company has made compliance with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We state that no investor grievances were pending for a period of one month against the company as certified by the Registrars & Share Transfer Agents of the company, based on the records maintained by them.

For KAKARIA & ASSOCIATES
Chartered Accountants
Firm Regn. No.: 104558W
Jaiprakash H. Shethiya
Partner
Membership No.: 108872

Place : Mumbai
Date : 15.7.2011



PRECISION CONTAINERS LIMITED

AUDITORS' REPORT TO THE MEMBERS OF PRECISION CONTAINERS LIMITED

We have audited the attached Balance Sheet of PRECISION CONTAINERS LIMITED, as at 31st March, 2011 and the Profit & Loss Account and also the Cash Flow statement of the Company for the year ended on that date, annexed thereto. 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.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 2. As required by the Companies (Auditors' Report) Order 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
 3. Without qualifying our opinion, we draw attention that the Company had incurred substantial losses in the past & no operation have been undertaken in the Current year, resulting in the erosion of more than hundred percent of its net worth. However considering the management plans to revive the company, the accounts of the Company are prepared on a going concern basis.
 4. Without qualifying our opinion, we draw attention towards Note 4 of Schedule I of Notes to accounts towards the investment, loan given and security provided by the company aggregating to Rs.11.69 crs for which company hold the opinion that such investments are not against 372A of the Companies Act, 1956.
 5. During the year the company has given loan to few of the person covered under Section 295 of the Companies Act however approval from central government is still pending, the year end balance of such loan is NIL.
 6. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books;
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, except for Accounting Standard (AS) - 15 (revised 2005) on "Employee Benefits" as stated in clause (g) below.
 - e. On the basis of written representation received from such directors, as on 31st March, 2011 and taken on record by the Board of Directors, We report that none of the remaining directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the central government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which the cess is to be paid, no cess is due and payable by the company.
 - g. In our opinion and to the best of our information and according to the explanations given to us, the said accounts Subject to our comments in above paragraph & *Note 5 regarding non provision of future liabilities of gratuity amount not ascertained, Profit Before Tax for the year is overstated and liabilities to that extent are understated hence these accounts to that extent are not in conformity with section 209(3) of the Companies Act, 1956 and AS-15 (revised 2005) on "Employees Benefits"* read together with the Significant Accounting Policies, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) in the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2011;
 - ii) in the case of the Profit & Loss Account, of the Loss of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

For KAKARIA & ASSOCIATES

Chartered Accountants
Firm Regn. No.: 104558W

Jaiprakash H. Shethiya
Partner
Membership No.: 108812

Place : Mumbai
Date : 15.7.2011

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ANNEXURE REFERRED TO IN PARAGRAPH 2 OF THE REPORT OF THE AUDITORS' TO THE MEMBERS OF PRECISION CONTAINEURS LIMITED ON THE ACCOUNTS 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) We are informed that the fixed assets have been physically verified by the management during the year. There is a regular program of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) During the year, the Company has not disposed off a substantial part of the fixed assets.
2. (a) The Inventories has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. However the Inventories at the year end are NIL.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory.
3. (a) (i) The Company has taken unsecured loans from three parties covered in the register maintained under section 301 of the Companies Act. In aggregate the maximum amount involved during the year was Rs. 12,747,730/- and in aggregate the year-end balance of loans taken from such was Rs. 1,080,000/-.
(ii) The Company has granted unsecured loans to seven parties covered in the register maintained under section 301 of the Companies Act. In aggregate the maximum amount outstanding during the year was Rs. 87,347,919/- and in aggregate the year-end balance of loans given to such was Rs. 70,331,711/-.
(b) There are no covenants, so we are not able to comment that whether the rate of interest and other terms and conditions of loans given and taken by the company are prejudicial to the interest of the company. However we are informed that unsecured loans given are interest free, so in our opinion the rate of interest are prima facie prejudicial to the interest of the company. Further we are informed that unsecured loans taken are interest free, so in our opinion the rate of interest are prima facie prejudicial to the interest of the company.
(c) In absence of any covenants/agreements for repayment of principal amount and interest in respect of loans granted and taken, we have not made any comments about regularity in respect of the receipt and repayments of principal amount & interest. However the Company informed that the loan is granted to the Companies under the same management, the loan is interest free and is repayable on demand.
(d) In absence of any covenants/agreements for repayment of principal amount and interest in respect of loans granted and taken, we have not made any comments about whether there is any overdue amount. However the Company informed that loan is repayable on demand and therefore the question of overdue amounts does not arise.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of transactions covered under section 301 of the Companies Act, 1956
(a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act 1956 are NIL.
(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 Companies Act, 1956 and exceeding the value of Rupees five lakhs is NIL in respect of any party during the year.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of the business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under clause (d) of section (1) of Section 209 of the Companies Act, 1956.



PRECISION CONTAINERS LIMITED

9. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Investors Education and Protection Fund, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it have generally been regularly deposited with appropriate authorities though there has been a delay in a few cases. Following undisputed amount are outstanding for more than six months as on 31st March, 2011.

Sr. No.	Name of the Statute	Nature of	Period	Amount Rs.
1.	Value Added Tax	Sales Tax	2006-07	496,978
2.	Value Added Tax	Sales Tax	Prior years	8,557,778
3.	Value Added Tax	Sales Tax	2008-09	4,522,626
4.	Employee State Insurance Act 1948	ESIC	Prior to 2004	22,674
5.	Income Tax Act	TDS	Prior years	45,658
6.	Professional Tax	Professional Tax	Prior years	1,350

- (b) According to the information and explanation given to us, there are no disputed statutory dues that have not been deposited.
10. The accumulated losses at the end of the financial year are more than 100% (Hundred Percent) of its net worth and has incurred cash losses during the financial year covered by our audit & the immediately preceding financial year.
11. According to the information and explanation given to us, the Company has defaulted in repayment of dues to financial institutions, banks and debenture holders. Further we informed that these amounts are outstanding for a long period and exact length of period cannot be ascertained.

Sr. No.	Name of the financial Institution	Principal	Interest	Total (Rs.)
1.	GSFC Term Loan	45,495,121	59,353,105	104,848,226
2.	Term Loan IDBI	133,500,000	61,370,076	194,870,076
3.	Non Conv Debenture - IDBI	30,000,000	24,093,375	54,093,374

The company has in Principle received an approval from IDBI for One Time Settlement of all its Dues. A Cumulative sum of Rs. 281.30 Lacs has been paid against the OTS.

12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the Company has not raised any new term loans during the year, however the term loans outstanding at the beginning of the year were applied for the purposes for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments by the company and no long-term funds have been used to finance short-term investments.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanation given to us, no debentures have been issued during the year.
20. According to the information and explanations given to us, the Company has created securities in respect of debentures issued.
21. Based upon the audit procedures performed and information given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For KAKARIA & ASSOCIATES

Chartered Accountants
Firm Regn. No.: 104558W

Jaiprakash H. Shethiya
Partner
Membership No.: 108812

Place : Mumbai
Date : 15.7.2011

30TH ANNUAL REPORT 2010-2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedules	Rupees	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	A		223,812,000	223,812,000
Share Application Money			900,000	5,025,000
RESERVES & SURPLUS				
CAPITAL RESERVE				
Share Premium			5,000,000	5,000,000
LOAN FUNDS				
Secured Loans	B	299,772,594		321,752,594
Unsecured Loans		104,848,226		105,348,226
			404,620,820	427,100,820
			634,332,820	660,937,820
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	C	203,240,447		203,240,447
Less : Depreciation		131,259,972		122,462,342
Net Block		71,980,475		80,778,105
			71,980,475	80,778,105
Investments	D		27,978,120	22,252,620
Current Assets, Loans & Advances				
Sundry Debtors	E	639,199		10,843,153
Cash & Bank Balances		1,629,049		665,466
Loans & Advances		67,496,009		85,930,948
			69,764,257	97,439,568
Less : Current Liabilities & Provisions	F	37,604,291		25,563,430
Net Current Assets			32,159,966	71,876,138
Miscellaneous Expenditure (To the extent not written off or adjusted)				
Profit & Loss Account	G		475,000	570,000
	H		501,739,259	485,460,957
			634,332,820	660,937,820
Notes on Accounts	I			

AS PER OUR REPORT OF EVEN DATE

For **KAKARIA & ASSOCIATES**
Chartered Accountants
Firm Regn. No.: 104558W

Jaiprakash H. Shethiya
Partner
Membership No.: 108812

Place : Mumbai
Date : 15th July, 2011

FOR AND ON BEHALF OF THE BOARD

Jayesh V. Valia
Executive Chairman

Ajay N. Jani
Director



PRECISION CONTAINERS LIMITED

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

	Schedules	Rupees	As on 31/03/2011 Rupees	As on 31/03/2010 Rupees
INCOME				
GROSS SALES		-		-
LESS : EXCISE DUTY ON SALES		-		-
NET SALES		0		0
OTHER INCOME	1	565,219		166,741
			565,219	166,741
EXPENDITURE				
COST OF GOODS CONSUMED/SOLD	2	0		0
MANUFACTURING EXPENSES	3	395,248		843,118
ADMINISTRATIVE EXPENSES	4	3,310,734		1,792,583
SALARIES, WAGES, BONUS & OTHER EMPLOYEES' BENEFITS	5	3,388,143		2,176,059
MANAGERIAL REMUNERATION	6	221,642		609,360
FINANCE CHARGES	7	536,166		25,476
AUDITORS' REMUNERATION		77,210		30,000
DEPRECIATION		8,797,631		7,877,699
			16,726,774	13,354,295
PROFIT / (LOSS) BEFORE TAX			(16,161,555)	(13,187,554)
PROVISION FOR TAX			0	0
PROFIT / (LOSS) AFTER TAX			(16,161,555)	(13,187,554)
Debit / (Credit) : PRIOR PERIOD ADJUSTMENTS			116,747	(328,723)
PROFIT / (LOSS) TRF. TO BALANCE SHEET			(16,278,302)	(12,858,831)
BASIC EARNING PER SHARE			(0.73)	(0.58)
DILUTED EARNING PER SHARE				
FACE VALUE OF SHARE Rs.10/- EACH				
NOTES ON ACCOUNTS	I			

AS PER OUR REPORT OF EVEN DATE

For **KAKARIA & ASSOCIATES**
Chartered Accountants
Firm Regn. No.: 104558W

Jaiprakash H. Shethiya
Partner
Membership No.: 108812

Place : Mumbai
Date : 15th July, 2011

FOR AND ON BEHALF OF THE BOARD

Jayesh V. Valia
Executive Chairman

Ajay N. Jani
Director

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SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
SCHEDULE - A : SHARE CAPITAL		
AUTHORISED CAPITAL		
23,000,000 Equity Shares of Rs.10/- each	<u>230,000,000</u>	<u>230,000,000</u>
TOTAL RS.	<u>230,000,000</u>	<u>230,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
22,381,200 (P.Y. 22,381,200) Equity shares of Rs.10/- each fully paid up Out of which 2,00,000 Nos. Equity Shares of Rs.10/- each fully paid up have been allotted to SASF without receipt of cash there against pursuant to a negotiated settlement.	<u>223,812,000</u>	<u>223,812,000</u>
TOTAL RS.	<u>223,812,000</u>	<u>223,812,000</u>
SCHEDULE - B : LOAN FUNDS		
SECURED LOANS:		
18% Secured Redeemable Non Convertible Debentures	30,000,000	30,000,000
Accrued Interest on Debentures	24,093,375	24,093,375
3,00,000 Debentures of Rs.100/- each Privately Placed with I.D.B.I. Ltd. Secured by a charge on moveable properties. Redeemable on the expiry of 3rd, 4th, & 5th year, from the relevant date of allotment, i.e. 01/07/2000		
TERM LOANS :		
- IDBI Ltd.	194,870,076	194,870,076
Secured by a charge on both Movable and Immovable Properties.		
	<u>248,963,451</u>	<u>248,963,451</u>
Less : Paid to IDBI against OTS of Rs. 470.00 lacs	<u>28,130,000</u>	<u>24,650,000</u>
	220,833,451	224,313,451
WORKING CAPITAL FROM :		
SICOM LTD Assignee of Central Bank of India	78,939,143	97,439,143
Secured by hypothecation of Book-debts, Stock of Raw Material & Finished goods.		
SUB TOTAL RS.	<u>299,772,594</u>	<u>321,752,594</u>
UNSECURED LOANS :		
Gujarat State Financial Corporation	<u>104,848,226</u>	<u>105,348,226</u>
SUB TOTAL RS.	<u>104,848,226</u>	<u>105,348,226</u>
TOTAL RS.	<u>404,620,820</u>	<u>427,100,820</u>



PRECISION CONTAINERS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE - C : FIXED ASSETS

Amount in Rupees

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as at 01-04-2010	Addition / (Deduction)	Cost as at 31-03-2011	Upto 31-03-2010	For the Year	As at 31-03-2011	As at 31-03-2011	As at 31-03-2010
Freehold Land	2,392,130	-	2,392,130	-	-	-	2,392,130	2,392,130
Leasehold Land	213,608	-	213,608	-	-	-	213,608	213,608
STAFF Quarter I	249,460	-	249,460	-	-	-	249,460	249,460
Office Premises	5,933,443	-	5,933,443	1,134,041	96,715	1,230,756	4,702,687	4,799,402
Factory Building	12,985,396	-	12,985,396	6,425,675	433,712	6,859,387	6,126,009	6,559,721
Plant & Machinery	150,950,491	-	150,950,491	107,646,073	6,840,413	114,486,486	36,464,005	43,304,418
Weighing Machine	26,320	-	26,320	14,933	1,250	16,183	10,137	11,387
Electrical Fittings	2,507,772	-	2,507,772	1,846,502	119,119	1,965,621	542,151	661,270
Dies	988,812	-	988,812	664,041	46,969	711,010	277,802	324,771
Furniture & Fixtures	3,926,846	-	3,926,846	1,215,197	248,570	1,463,767	2,463,079	2,711,649
Office Equipments	1,436,827	-	1,436,827	1,268,711	90,951	1,359,662	77,165	168,116
Computers	2,262,342	-	2,262,342	2,247,167	-	2,247,167	15,175	15,175
Plant & Machinery (Hire Purchase)	19,367,000	-	19,367,000	-	919,933	919,933	18,447,067	19,367,000
TOTAL	203,240,447	-	203,240,448	122,462,340	8,797,631	131,259,972	71,980,475	80,778,106
Previous Year	203,240,447	-	203,240,447	114,584,643	7,877,699	122,462,342	80,778,106	-

As at 31/03/2011
Rupees

As at 31/03/2010
Rupees

SCHEDULE - D : INVESTMENTS

Trade Investments (at cost)

Quoted

Vas Infrastructure Ltd.
13,49,562 (P.Y. 7,66,162) Eq. Sh. of Rs.10/- each fully paid up

27,972,120

22,246,620

Unquoted

New India Co-op. Bank Limited
(500 Eq. Sh. of Rs.10/- each fully paid up)

5,000

5,000

Vasparr Shelter Ltd.
(100 Eq. Sh. of Rs.10/- each fully paid up)

1,000

1,000

TOTAL RS.

27,978,120

22,252,620

SCHEDULE - E : CURRENT ASSETS, LOANS & ADVANCES

Sundry Debtors

Unsecured :

Considered Good

Debts exceeding six months
Other Debts

639,199

10,843,153

-

639,199

-

10,843,153

SUB TOTAL RS.

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SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
Cash & Bank Balances		
Cash on hand	843,428	85,386
Balances with Banks :		
- In current accounts :		
With Scheduled banks	329,536	118,994
- In deposit accounts		
With Scheduled banks	456,086	461,086
SUB TOTAL RS.	<u>1,629,049</u>	<u>665,466</u>
Loans & Advances		
(Unsecured considered good)		
Loans to Staff & Workers	9,834	190,207
Sundry Deposits	1,194,395	1,201,965
Advances recoverable in cash or in kind or for value to be received	65,529,873	83,584,878
Balances with Excise authorities	181,877	181,877
Income Tax Refundable	517,108	709,098
Pre-paid Expenses	62,922	62,922
SUB TOTAL RS.	<u>67,496,009</u>	<u>85,930,948</u>
TOTAL RS.	<u>69,764,257</u>	<u>97,439,567</u>
SCHEDULE - F : CURRENT LIABILITES AND PROVISIONS		
Current Liabilities :		
Creditors for Goods	71,830	76,537
Creditors for Expenses	5,303,091	5,613,949
Advance from Customers	15,461,545	4,020,000
Other Liabilities	15,385,610	14,200,912
Provisions		
For Gratuity	1,382,215	1,652,032
TOTAL RS.	<u>37,604,291</u>	<u>25,563,430</u>
SCHEDULE - G : MISCELLANEOUS EXPENDITURE		
Deferred Revenue Expenditure		
Repairs to Building	950,000	950,000
Less : Written off upto previous year	<u>380,000</u>	<u>285,000</u>
	570,000	665,000
Less : 1/10th Written off during the year	<u>95,000</u>	<u>95,000</u>
	<u>475,000</u>	<u>570,000</u>
SCHEDULE - H : PROFIT & LOSS ACCOUNT		
Profit & Loss Account		
Opening Balance	485,460,957	472,602,126
(Profit) / Loss trf. From P & L A/c.	<u>16,278,302</u>	<u>12,858,831</u>
TOTAL RS.	<u>501,739,259</u>	<u>485,460,957</u>



PRECISION CONTAINERS LIMITED

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	As on 31/03/2011 Rupees	As on 31/03/2010 Rupees
SCHEDULE 1 : OTHER INCOME		
Interest (Gross) TDS Rs. NIL (P.Y. Rs. NIL)	2,129	–
Interest on Income Tax Refund	1,090	–
Rent Received TDS Rs. NIL (P.Y. Rs. NIL)	562,000	156,000
Miscellaneous Income	–	10,741
TOTAL Rs.	565,219	166,741
SCHEDULE 2 : COST OF GOODS CONSUMED/SOLD		
Raw Material and Goods Traded		
Opening Stock :	–	–
Add : Purchases	–	–
	<u>0</u>	<u>0</u>
Less : Closing Stock	–	–
TOTAL Rs.	0	0
SCHEDULE 3 : MANUFACTURING EXPENSES		
Electricity Charges	–	5,403
Insurance Premium	67,886	68,216
Salary & Wages	327,362	769,499
TOTAL Rs.	395,248	843,118

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SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	As on 31/03/2011 Rupees	As on 31/03/2010 Rupees
SCHEDULE 4 : ADMINISTRATIVE EXPENSES		
Commission Charges	–	4,500
Conveyance Expenses	–	650
Depository Connectivity Charges	141,330	113,918
Directors Sitting Fees	8,000	9,000
Electricity Charges	328,115	10,260
General Expenses	1,620	120
Labour Charges - Others	5,186	–
Legal & Professional Charges	1,060,342	728,691
ROC-Filing Fees	–	16,000
Listing Fees	35,572	39,067
Office Expenses	–	2,850
Postage, Courier, Angadia Charges	74,065	68,041
Printing & Stationery	111,127	142,541
Rates & Taxes	1,030,705	5,880
Registrar & Transfer agents fees	115,694	70,281
Repairs & Maintenance to Others	2,000	19,600
Repairs to Building	121,366	308,881
Room Rent	3,600	1,800
Security Charges	15,850	91,939
Service Tax on Transport	–	9,251
Society Charges	56,834	63,634
Travelling Expenses	10,780	–
Telephone, Communication Expenses	86,582	85,679
Balances Written off (net)	101,966	–
TOTAL Rs.	3,310,734	1,792,583
SCHEDULE 5 : SALARY, WAGES & BONUS AND OTHER EMPLOYEES' BENEFITS		
Salaries, Wages & Bonus	2,259,856	1,932,005
Staff & Workers Welfare Expenses	11,291	–
Comp. Contri. to P.F. & Other Funds	8,853	33,570
Leave Encasement & Ex-gratia	1,095,501	3,456
Provision for Gratuity	12,642	207,028
TOTAL Rs.	3,388,143	2,176,059



PRECISION CONTAINERS LIMITED

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	As on 31/03/2011 Rupees	As on 31/03/2010 Rupees
SCHEDULE 6 : MANAGERIAL REMUNERATION		
Executive Director	217,742	600,000
Comp. Contri. to P.F. & Other Funds	3,900	9,360
TOTAL Rs.	<u>221,642</u>	<u>609,360</u>
SCHEDULE 7 : FINANCE CHARGES		
Interest :		
On Other Loans	30,765	14,756
Stamping Charges	800	1,000
Bank Charges	504,601	9,720
TOTAL Rs.	<u>536,166</u>	<u>25,476</u>

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SCHEDULE I – NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

1. LEGAL STATUS

The assessee is a Public Limited Company, formed vide Certificate of Incorporation dated 27th February, 1981, assessed to Income Tax at Mumbai.

2. BUSINESS ACTIVITY

The Assessee is into the business of Manufacturing of Barrels and Trading of CRCA Coils, During the year under Consideration the Company has not undertaken any Manufacturing Activity.

Basis of Accounting :

The accounts are prepared on the historical cost basis and on the accounting principles of a going concern, however during the year under Consideration, there is no income generation from manufacturing activity. Accounting policies not specifically referred to otherwise be consistent and in consonance with generally accepted accounting principles.

Revenue Recognition :

The Revenue is recognized on the basis of Mercantile System of Accounting expenses and income considered payable and receivable respectively are accounted on accrual basis.

Investment income is accounted for on cash basis as and when received.

Valuation of Inventories :

Stock are valued at lower of cost or net realisable value.

Fixed Assets :

Fixed Assets are stated at their historical cost, net of CENVAT Credit but include expenditure incurred in their acquisition and construction/ installation and other related expenses including pre-operational expenses.

Depreciation :

Depreciation on all the assets is calculated on Straight Line method at the rates specified in Schedule XIV to the Companies Act 1956.

Investments :

Long-term investments are carried at Cost.

Retirement Benefits :

Liability in respect of retirement benefits is provided and charged to the Profit & Loss account as follows:

Provident fund :

On actual liability basis.

Gratuity :

on the assumption that such benefits are payable to all eligible employees at the end of each accounting year and is charged to the Profit & Loss account each year.

Leave Encashment :

on actual liability basis.

Excise Duty :

During the year under Consideration the Assessee has not undertaken any Manufacturing Activity. The balance of CENVAT credit/ PLA balance of the Previous year is reflected as current assets under the head Loans & Advance.

Prior Period Adjustment :

All identifiable items of income and expenditure pertaining to prior period irrespective of period of accrual are accounted as Prior Period Adjustment.

Deferred Tax :

Deferred tax is subject to the consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, However Considering the Principle of Prudence, no Provision for deferred tax is made during the year under Consideration.

2. The Company did not have at any time during the year amount due to small and medium enterprises (SME) which is outstanding for more than 45 days. Further no interest is paid/payable to such SME creditors.

3. During the year the credit facilities of Rs. 763.38 lakhs outstanding to be repaid to central bank of India has been assigned to SICOM limited.

SICOM has accepted one time settlement proposal (OTS) of Rs. 185 lacs as against the above credit of Rs. 763.38 and the same is being paid by the company, however the company has made a default in repayment of the dues considering which the difference between the OTS and the actual liability has not been recognized in the profit and loss account.



PRECISION CONTAINEURS LIMITED

4. The company has an investment of Rs. 222.52 lacs consisting of 1,349,562 shares of VAS Infrastructure Limited of which 1,333,400 shares has been pledged against loan taken by group company.
5. The actuarial valuation of gratuity for present liability towards future payment to the employees covered under payment of gratuity act was not done as on the balance sheet date. therefore the effect of this on the profit for the year could not be ascertained, to the extent the accounts are not in conformity with section 209(3) of the Companies Act 1956 and accounting standard 15 (revised 2005) on "Employee benefit" issued by institute of chartered accountant of India
6. No provision has been made for interest payable on term loans/cash credit from I.D.B.I, G.S.F.C.

7. Auditors Remuneration : (Inclusive of Service tax)

	FY 2010-11	FY 2009-10
Audit Fees	38,605	16,545
Tax Audit	38,605	16,545

8. Quantitative and Other Information

	FY 2010-11	FY 2009-10
Licensed Capacity	Not Applicable	Not Applicable
Installed Capacity		
Metal Drums	18,00,000 Nos.#	18,00,000 Nos.#
Plastic Barrels	10,00,000 Nos.#	10,00,000 Nos.#

Capacity is assessed on 3-shift basis.

9. There is no operation in the company hence Quantitative information as required under Schedule VI is not presented as the same is NIL.

10. Related Party Disclosures:

Associate concerns

Yashraj Containeurs Ltd.
 Vas Infrastructure Ltd.
 Vasparr Shelter Ltd.
 Vasparr Trading Pvt. Ltd. (Now known as Vas Educomp Pvt. Ltd.)
 Pushpanjali Drums Pvt Limited

Key Management Personnel & their relatives:

Dr. Jayesh V. Valia	Executive Chairman
Mr. Ajay Jani	Director
Mr. Babulal Jain	Director
Mr. G. Venkatraman	Director

Particulars	Associate Concerns		Relative of Directors		Directors	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Professional Fees					551,500	
Loan Given	15,564,988	27,778,699	11,438,925			
Loan Recovered	32,547,141	6,454,487	11,438,925			
Loan Borrowed	44,461,325	79,818,078	1,080,000			
Loan Repaid	44,461,325	80,519,659				
Application Money Refund	4,125,000	8,250,000				
Remuneration					221,642	609,360
Outstanding Balance as on Balance sheet date :						
Receivable :						
- Loans	70,331,711	87,313,864				
Payable :						
- Loans	-	-	1,080,000			

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11. In relation to Accounting Standard 22 Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, the Company has unabsorbed depreciation and accumulated losses in terms of income tax and there is no virtual certainly supported by convincing evidence as regards future profitability to wipe off the losses and hence no effect on timing difference in the accounts is given.
12. The Company has only one business segment and there is no geographical Segment, hence reporting details have not been provided in this financial statement.
13. Earnings Per Share :
- | Particulars | FY 2010-11 | FY 2009-10 |
|--|--------------|--------------|
| Net Profit /(Loss)as per Profit & Loss A/c | (16,278,302) | (12,858,831) |
| Number of Equity Shares | 22,381,200 | 22,381,200 |
| Basic Earnings Per Shares | (0.73) | (0.57) |
| Diluted Earnings Per Share | (0.73) | (0.57) |
| Nominal Value per Equity | 10 | 10 |
14. The company has not transferred specified amount to debenture redemption reserve.
15. The outstanding Balance of Debtors, Creditors, Unsecured Loans and Loans & Advances are subject to confirmation & reconciliation.
16. As per the Information & Explanation provided to us, the Loans & Advances are given in the Ordinary Course of Business & are recoverable on demand, However in absence of any Documental Proof we are unable to Comment on the Same.
17. Previous Year's figures have been regrouped/recast wherever necessary.
18. Figures have been rounded off to the nearest rupee.
19. Schedules A to I and 1 to 7 form an integral part of the Accounts and have been duly authenticated.

AS PER OUR REPORT OF EVEN DATE

For **KAKARIA & ASSOCIATES**
Chartered Accountants
Firm Regn. No.: 104558W

Jaiprakash H. Shethiya
Partner
Membership No.: 108812

Place : Mumbai
Date : 15th July, 2011

FOR AND ON BEHALF OF THE BOARD

Jayesh V. Valia
Executive Chairman

Ajay N. Jani
Director

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

	As on 31/03/2011 Rupees	As on 31/03/2010 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES		
NET LOSS AFTER TAX BUT BEFORE EXTRAORDINARY ITEMS	(16,161,555)	(13,187,554)
Adjustment for :		
Depreciation	8,797,631	7,877,699
Interest	30,765	14,756
Loss on Sale of Shares	-	-
Profit on Sale of Shares	-	-
Cash Discount Received	-	-
Interest Income	(3,219)	-
Dividend Income	-	-
Rent Income	(562,000)	(156,000)
	8,263,177	7,736,455
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(7,898,378)	(5,451,099)
Adjustment for changes		
Trade & Other receivables	28,638,893	25,268,961
Inventories	-	-
Trade & Other Payables	12,040,861	3,254,380
	40,679,754	28,523,341
CASH GENERATED FROM OPERATIONS	32,781,376	23,072,242
Dividend Paid	-	-
Interest paid	(30,765)	(14,756)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	32,750,611	23,057,486
EXTRAORDINARY ITEMS		
Prior period adjustment	(116,747)	328,723
Balances W/off	-	-
NET CASH OPERATING ACTIVITIES	32,633,864	23,386,209
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Loss on Sale of Shares	-	-
Decrease / (Increase) in Investment	(5,725,500)	(14,585,000)
Cash Discount Recd.	-	-
Profit on Sale of Shares	-	-
Deferred Revenue Expenditure	95,000	95,000
Rent Income	562,000	156,000
Interest Income	3,219	-
Dividend Income	-	-
NET CASH USED IN INVESTING ACTIVITIES	(5,065,281)	(14,334,000)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) of Long term Borrowings	(21,980,000)	(1,100,000)
Repayment of unsecured Loans	(500,000)	-
Proceeds/(Repayment) of Short Term Borrowings (Net)	-	(8,250,000)
Share Application Money Refunded	(4,125,000)	-
NET CASH USED IN / FROM FINANCING ACTIVITIES	(26,605,000)	(9,350,000)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENT	963,583	(297,791)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	665,466	963,257
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	1,629,049	665,466
NET INCREASE / (DECREASE) IN CASH AS DISCLOSED ABOVE	963,583	(297,791)

AS PER OUR REPORT OF EVEN DATE

For **KAKARIA & ASSOCIATES**
Chartered Accountants
Firm Regn. No. 104558W

Jaiprakash H. Shethiya
Partner
Membership No. 108812

Place : Mumbai
Date : 15th July, 2011

FOR AND ON BEHALF OF THE BOARD

Jayesh V. Valia
Executive Chairman

Ajay N. Jani
Director



PRECISION CONTAINEURS LIMITED

Regd. Office : 401, Court Chambers, 4th Floor, S. V. Road, Borivli (W), Mumbai - 400 092.

PROXY FORM

Ledger Folio No. No. of Shares held

I/We _____
of _____ being a member / members of the above named Company
hereby appoint _____
of _____

as my/our Proxy to vote for me/us and on my/our behalf at the **30th ANNUAL GENERAL MEETING** of the Company to will be held on Friday, August 26, 2011, at 2.00 p.m. at The No. 1 Party Hall, Building No.1, Sumer Nagar, S. V. Road, Kora Kendar Bus Stop, Borivli (West), Mumbai 400 092.

Signed this _____ day of _____ 2011.

Signature _____

Please
affix
Revenue
Stamp

- Notes :**
1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself/herself.
 2. The Proxy need not be a member of the Company.
 3. The Proxy duly completed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

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PRECISION CONTAINEURS LIMITED

Regd. Office : 401, Court Chambers, 4th Floor, S. V. Road, Borivli (W), Mumbai - 400 092.

ATTENDANCE SLIP

Ledger Folio No. No. of Shares held

(Please present this attendance slip at the entrance of the meeting venue)

I hereby record my/our presence at the **30th ANNUAL GENERAL MEETING** of the Company to will be held on Friday, August 26, 2011, at 2.00 p.m. at The No. 1 Party Hall, Building No.1, Sumer Nagar, S. V. Road, Kora Kendar Bus Stop, Borivli (West), Mumbai 400 092.

NAME OF THE SHAREHOLDER _____

NAME OF THE PROXY _____

SIGNATURE OF THE MEMBER/PROXY _____

NOTE : To be signed and handed over at the Meeting Venue