



# **SOLID CONTAINERS LIMITED**

**Annual Report**  
**2013 - 2014**

## **CORPORATE INFORMATION**

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### **BOARD OF DIRECTORS**

Ashok Goel  
J. M. Fernandes  
Mohender Garg  
Reshma Rao (appointed w.e.f. September 05, 2014)

### **MANAGER** (under Section 203 of the Companies Act, 2013)

Suresh Kumar Suri

### **CHIEF FINANCIAL OFFICER**

Francis Miranda

### **COMPANY SECRETARY**

Anjali Singh

### **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,  
2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka,  
Andheri (E), Mumbai - 400 072  
Tel. 6772 0300

## SOLID CONTAINERS LIMITED

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### NOTICE

Regd.Off.: 2006, Fossberry Road, Near ICI limited, Reay Road (E), Mumbai - 400 033

Corporate Identity Number: L28100MH1964PLC013064

NOTICE is hereby given that the Forty-Ninth Annual General Meeting of the Members of **SOLID CONTAINERS LIMITED** will be held on **Tuesday, September 30, 2014 at 11.00 a.m.** 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, 2014 and the Balance Sheet as on that date and the Report of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Ashok Goel (holding DIN 00025350), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the applicable provisions of the Companies Act, 2013, and the Rules made thereunder, M/s. MGB & Co. LLP, Chartered Accountants (Registration No.101169W), be and are hereby appointed as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of the Fifty Second Annual General Meeting of the Company, subject to ratification by the members annually, at a remuneration as may be decided by the Board of Directors of the Company."

#### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Mohender Garg (holding DIN: 00426642), Director of the Company, whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years."

5. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. J. M. Fernandes (holding DIN: 00147539), Director of the Company, whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of

the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years."

6. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force) Ms. Reshma Rao (holding DIN: 06966747) who was appointed as an Additional Director by the Board of Directors of the Company pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the conclusion of this Annual General Meeting and being eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature as a Director of the Company, be and is hereby appointed as a Woman Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to Section 2(53), 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force) and subject to the approval of Central Government, if required, the Company hereby accords its approval for re-appointment of Mr. Suresh Kumar Suri as a Manager of the Company for a period of 3 (three) years with effect from April 29, 2014 on such terms and at such remuneration as set out in the explanatory statement annexed to this Notice convening this meeting, with the liberty and power to the Board of Directors (hereinafter referred to as "the Board" which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said re-appointment, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** Mr Suresh Kumar Suri be and is hereby granted substantial powers of management and be responsible for the overall management and control of whole of the affairs of the Company under the supervision, superintendence, control and direction of the Board of Directors and that he shall continue to handle the responsibility as General Manager - Works.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this Resolution and/or to make modification as may be deemed to be in the best interest of the Company."

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

**"RESOLVED THAT** in supersession of the Resolution passed by the members at the Annual General Meeting of the Company held on September 30, 2010 in this regard and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, ("the Act"), (including any statutory modification (s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Memorandum and Articles of Association of the Company, subject to such other approvals as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the "Board" which term shall be deemed to include any Committee thereof) to borrow, for and behalf of the Company from time to time, any sum

or sums of monies and on such terms and conditions and with or without security as and when required by the Company and as the Board of Directors of the Company may deem fit, which together with the monies already borrowed by the Company (except temporary loans obtained from time to time by the Company from its bankers in the ordinary course of its business) shall not exceed a sum of Rs. 33 crore (Rupees Thirty Three Crores) such amount being over and above the aggregate of the paid capital of the Company and its free reserves, that is to say, reserves not set part of for any specific purpose, as the Board of Directors may from time to time deem necessary.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things, to execute all such documents, instruments and writings and do all such acts, deeds and things as may be required to give effect to this Resolution."

By Order of the Board of Directors  
**FOR SOLID CONTAINERS LIMITED**

Place : Mumbai  
Date : September 05, 2014

**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 AND THE 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. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
2. The statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. The relevant details of Directors seeking re-appointment under item no. 2 and 7 and appointment under items nos. 4, 5 and 6 above as required under clause 49 of the Listing agreement entered into with the Stock Exchange is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 26, 2014 to Tuesday, September 30, 2014 (both days inclusive).
5. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturday between 10.00 a.m. to 5.00 p.m. up to the date of declaration of the result of the 49th Annual General Meeting of the Company.
6. 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.
7. 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 : September 05, 2014

**ASHOK GOEL**  
**DIRECTOR**

**STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:-**

**Item No. 4**

Mr. Mohender Garg is on the Board of the Company since April 2008. He is presently an Independent Director on the Board, whose period of office was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Garg being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years. A notice has been received from a member of the Company along with requisite deposit signifying his intention to propose Mr. Garg as a candidate for the office of Independent Director of the Company.

Concurring with the recommendation of the Nomination and Remuneration Committee, the Board is of the opinion that, Mr. Garg fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the management of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company. Copy of the draft letter for appointment of Mr. Garg as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday upto the date of the 49th Annual General Meeting of the Company. The Board recommends his appointment as an Independent Director in the interest of the Company, to utilize his expertise. In terms of Section 149(13) of the Companies Act, 2013, Mr. Garg shall not be liable to retire by rotation.

The detailed profile of Mr. Garg, including nature of his expertise and other disclosure as required in Clause 49 of Listing Agreement with the stock exchange is annexed to the Notice forming part of the Annual report.

None of the Directors, key managerial personnel and /or their relatives, except Mr. Garg is concerned or interested in the Resolution.

**Item No. 5**

Mr. J M Fernandes is on the Board of the Company since March 2006. He is presently an Independent Director on the Board, whose period of office was liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Fernandes being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years. A notice has been received from a member of the Company along with requisite deposit signifying his intention to propose Mr. Fernandes as a candidate for the office of Independent Director of the Company.

Concurring with the recommendation of the Nomination and Remuneration Committee, the Board is of the opinion that, Mr. Fernandes fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the management of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company. Copy of the draft letter for appointment of Mr Fernandes as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday upto the date of the 49th Annual General Meeting of the Company. The Board recommends his appointment as an Independent Director in the interest of the Company, to utilize his expertise. In terms of Section 149(13) of the Companies Act, 2013, Mr. Fernandes shall not be liable to retire by rotation.

The detailed profile of Mr. J.M. Fernandes, including nature of his expertise and other disclosure as required in Clause 49 of Listing Agreement with the stock exchange is annexed to the Notice forming part of the Annual report.

None of the Directors, key managerial personnel and /or their relatives, except Mr. Fernandes is concerned or interested in the Resolution.

#### **Item No.6**

As per the provisions of Section 149(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the Listing Agreement with the Stock Exchange, every listed Company as well as every other public Company having paid up share capital of Rs 100 crores or more or turnover of Rs. 300 crores or more is required to appoint atleast one Woman Director on the Board of the Company.

Accordingly, the Board of Directors of the Company at its meeting held September 05, 2014, appointed Ms Reshma Rao (holding DIN 06966747) as an Additional Director of the Company pursuant to the provisions of Section 161 of the Act who holds office of Director only upto the conclusion of this Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms Reshma Rao for the office of Director of the Company, liable to retire by rotation.

She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The detailed profile of Ms Reshma Rao, including nature of her expertise and other disclosure as required in Clause 49 of Listing Agreement with the stock exchange is provided in the Notice.

None of the Directors, key managerial personnel and/or their relatives, except Ms Reshma Rao is concerned or interested in this resolution.

#### **Item No. 7**

The Members at the Annual General Meeting held on September 29, 2011 had appointed Mr. Suresh Kumar Suri, Manager under Section 269 of the Companies Act, 1956 ('the Act'), for a period of 3 (three) years i.e., April 29, 2011 to April 28, 2014. The Board of Directors of your Company, in its meeting held on April 15, 2014, subject to the approval of members and such other approvals as may be required, has re-appointed Mr.Suresh Kumar Suri as Manager under Section 203 of the Companies Act, 2013 for a period of 3 (three) years with effect from April 29, 2014.

Your Company would therefore require to pass a Special Resolution in this regard.

The material terms and conditions (including remuneration and minimum remuneration) of Mr. Suresh Kumar Suri's re-appointment are as follows:

1. Salary:

A basic salary of Rs.17,900/- per month with merit based annual increments as may be recommended by the Nomination and Remuneration Committee and decided by the Board.

2. Ex Gratia not exceeding Rs.30,000/- per annum or as may be revised from time to time as may be recommended by the Nomination and Remuneration Committee and decided by the Board.

3. Perquisites;

i. House Rent allowance not exceeding Rs.8,950/- per month as may be recommended by the Nomination and Remuneration Committee and decided by the Board.

ii. Reimbursement of actual electricity bills.

- iii. Reimbursement of actual Medical Expenses incurred for self and family.
  - iv. Leave Travel concession: Once in a year, subject to a ceiling of Rs. 30,000/-.
  - v. Benefit of sick leave in accordance with the Rules of the Company.
  - vi. Special Allowance of Rs. 6,002/- per month or as may be recommended by the Nomination and Remuneration Committee and decided by the Board.
4. Mr. Suresh Kumar Suri shall also be eligible to the following:
- i. Benefit of the Company's Provident Fund Scheme and the Superannuation/Annuity Fund Scheme together with the benefit of any Retirement Fund or Scheme, which the Company may introduce in future.
  - ii. Gratuity in accordance with the Rules of the Company.
  - iii. Earned or Privilege Leave - In accordance with the Rules of the Company.
  - iv. Use of telephone and/or mobile for the Company's business at Mr. Suri's residence, provided that the cost of personal long distance calls, if any, shall be reimbursed by him to the Company;
  - v. Use of a Motor Car for the Company's business (as also for his personal use) or, alternately, the Company shall bear and pay all running operation and maintenance expenses for use of his own car.

Apart from the aforesaid remuneration, Mr. Suresh Kumar Suri will be entitled to the reimbursement of entertainment, traveling, hotel and other expenses actually incurred for the official purposes of the Company.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rule, perquisites and allowances shall be evaluated at actual cost incurred by the Company in providing such perquisites and allowances.

**Minimum Remuneration:**

Where in any financial year during the tenure of Mr. Suresh Kumar Suri, the Company incurs a loss or its profits are inadequate, the Company shall continue to pay Mr. Suresh Kumar Suri the above remuneration as Minimum Remuneration within the limits as specified under Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactments thereof) as minimum remuneration with the approval of Central Government, if required.

Since the Company has incurred loss during the financial year, the Company shall pay Mr. Suresh Kumar Suri the above remuneration as Minimum Remuneration.

**Other Terms:**

- 1. The Manager shall not, without the prior approval of the Board, directly or indirectly engage in any other business, occupation or employment similar to or competing with, the Company's business.
- 2. The Manager shall not divulge or disclose to any person, or make use whatever, of any confidential information or knowledge as to the Company's business affairs or trade secrets.
- 3. The appointment may be terminated by either party giving to the other 1(one) month notice in writing.

The Board of Directors recommends the Special resolution for your approval.

None of the Directors, key managerial personnel and/or their relatives, except Ms Suresh Kumar Suri is concerned or interested in this resolution.



**Additional information for the Shareholders as required under Schedule XIII of the Companies Act, 1956/Schedule V of the Companies Act, 2013 and to the extent applicable to the Company is given as under: (Re: Item no. 7 of the Notice):-**

**I. General Information:**

- (1) **Nature of industry:** Paper Industry.
- (2) **Date or expected date of commencement of commercial production:** Already commenced the commercial production but the production operations were suspended since September 1998.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- (4) **Financial performance based on given indicators:** Operations of the Company have been suspended since September 1998 and the Company has been suffering losses. The Company has suffered a Net loss of Rs. 2,37,30,563 for the year ended March 31, 2014 as against Rs. 2,23,17,600/- for the year ended March 31, 2013.
- (5) **Foreign investments or collaborators, if any:** NIL.

**II. Information about the appointee:**

**(1) Background details:**

Name : Mr. Suresh Kumar Suri  
Father's name : Late Shri Parmanand N. Suri  
Nationality : Indian  
Date of Birth : August 14, 1946  
Date of re-appointment : April 15, 2014 (As Manager under section 2(53), 196, 197, 203 of the Companies Act, 2013)  
Expertise in specific Functional Area : 43 years experience in the Paper and Pulp Industry  
Directorships held in other Company : Nil

(2) **Past remuneration:** Mr. Suresh Kumar Suri has drawn remuneration of Rs. 5,69,173/- per annum for the financial year 2013-2014. (Details as provided in Corporate Governance Report)

(3) **Recognition or awards:** Not Applicable

**(4) Job profile and his suitability:**

**Job Profile:** Responsible for the overall management and control of the whole of the affairs of the Company with substantial powers of management under the supervision, superintendence, control and direction of the Board of Directors. He will also continue to handle the responsibility as General Manager - Works.

**Suitability:** Mr. Suri has been associated with the Company since 1984. Subsequently, during 1997-98, he was given responsibility as General Manager - Works of the Company. He has around 43 years of experience in Paper and Pulp Industry.

(5) **Remuneration proposed:** As per the resolution and Explanatory Statement to item no.7 annexed to this notice.

(6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):** Mr. Suri would also continue to handle responsibility as General Manager-Works

## Annual Report 2013 - 2014

and his re-appointment as Manager under section 2(53), 196, 197, 203 of the Act is on the same terms of remuneration, the remuneration of Mr. Suri seems to be justified.

- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: There is no such pecuniary relationship except that Mr. Suri has been associated with the Company since May 1984 and as General Manager - Works since 1997-98 and the remuneration paid / payable to Mr. Suresh Kumar Suri.

### III. Other information:

- (1) **Reasons of loss or inadequate profits:** The operations of the Company have been suspended since September 1998 and hence the Company has been suffering losses.
- (2) **Steps taken or proposed to be taken for improvement:** The Management will explore the opportunities available for revival of the Company and will take the suitable and appropriate steps towards the same.
- (3) **Expected increase in productivity and profits in measurable terms:** Not Applicable, since the operations of the Company have been suspended since September 1998.

By Order of the Board of Directors  
**FOR SOLID CONTAINERS LIMITED**

Place : Mumbai  
Date : September 05, 2014

**ASHOK GOEL**  
**DIRECTOR**

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

Particulars	Re-appointment (retiring by rotation)	Appointment		
	Name	Mr. Mohender Garg	Mr. J.M.Fernandes	Ms. Reshma Rao
Age	52 years	51 years	87 years	53 years
Experience	<p>Mr. Ashok Goel has been associated with the Company as a Director since 1983. Mr. Goel is an experienced businessman who also oversees the management of the Essel Group's Companies; viz., Essel Propack Limited, EsselWorld, Water Kingdom and Freeze.</p> <p>Mr. Goel is founder member of the Indian Association of Amusement Park and Industries. He has also led position of President of Industry Association like Organisation of Plastic Processor of India, Plastindia Foundation etc.</p>	<p>Mr. Mohender Garg has a rich experience in the Manufacturing Industry and dealing with Export and Import related matters.</p>	<p>Mr. J.M.Fernandes has a rich experience of working with Reserve Bank of India for 15 years in early stages of his career. Thereafter, he was associated with Industrial Development Bank of India (IDBI) for around 20 years. During his tenure with IDBI, he had a wide exposure of various Industrial projects all over India.</p>	<p>Ms. Reshma Rao has a rich experience in Garment Exports and Plastic Industries.</p>
Qualification	Bachelor of Commerce	Bachelor of Commerce	Bachelor of Science and CAIIB	Master of Commerce, BGL (Law).
List of Public Limited Companies in which outside Directorship held	Essel Propack Limited, Itz Cash Card Ltd, Indian Association of Amusement Parks and Industries Ltd., Itz Card Payment Solutions Ltd.	Aqualand India Limited	Packaging India Private Limited	NIL
Chairman / Member of the Committees of the Board of other Companies.	Member of Investor Grievance Committee of Essel Propack Limited.	NIL	Member of Audit Committee & Remuneration Committee of Packaging India Private Limited	NIL
Shareholding in the Company (No. of shares)	49,780 equity shares of face value of Rs. 10 each.	NIL	NIL	NIL

## DIRECTORS' REPORT

To

**THE MEMBERS,  
SOLID CONTAINERS LIMITED**

Your Directors have pleasure in presenting the Forty-Ninth Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

**SUMMARY OF FINANCIAL RESULTS:**

(Rs. in Lacs)

	Year Ended 31.03.2014	Year Ended 31.03.2013
Sales	NIL	NIL
Profit / (Loss) before depreciation	(224)	(210)
Depreciation	(13)	(13)
Profit / (Loss) before Tax	(237)	(223)
Profit / (Loss) after Tax	(237)	(223)

**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. Ashok Goel, Director, retires by rotation and being eligible, offers himself for re-appointment.

In view of the provisions of the Companies Act, 2013, notified effective from April 1, 2014 and the notification issued by Securities Exchange Board of India (SEBI) amending clause 49 of the Listing Agreement, which require Companies to appoint a Woman director, appointed Ms. Reshma Rao as Additional Director of the Company at its Board Meeting held on September 05, 2014, to hold office upto the conclusion of the ensuing Annual General Meeting.

In view of the provisions of the Companies Act, 2013, notified effective from April 1, 2014 and the notification issued by SEBI amending clause 49 of the Listing Agreement, the independent Directors are not liable for retirement by rotation. However, the independent Directors can hold office for a period of 5 years in accordance with the provisions of Companies Act, 2013 and the revised Listing Agreement with the Stock Exchange.

Accordingly, Mr. J.M. Fernandes and Mr. Mohender Garg, Independent Directors whose appointment hitherto was subject to retirement by rotation, are proposed to be re-appointed at the ensuing Annual General Meeting for a period of five consecutive years.

A brief resume of all Directors as required by clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the notice convening the Forty-Ninth Annual General Meeting of the Company.

**AUDITORS:**

M/s. MGB & Co., Chartered Accountants, Statutory Auditors of the Company, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. In view of the provisions of the Companies Act, 2013 notified with effect from April 1, 2014 and the applicable Rules, your Directors propose their appointment in respect of three financial years 2014-15, 2015-16 and 2016-17 being the maximum additional tenure permissible as a firm in their case.

**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 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 the 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 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.

The Auditors have also pointed out that the Company has utilized short term funds for long term purposes. In this regard, your Directors would like to state that in absence of any arrangement of long term funds to finance additions to the fixed assets, the available working funds got depleted resulting in use of short term funds for long term purposes.

**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 the 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, Directors 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, 2014 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 along with a Certificate of Compliance from the Auditors forms a part of this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report is provided in a separate section and forms a part of the Director's Report.

**ACKNOWLEDGEMENTS:**

The Board of Directors expresses its 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 30, 2014

**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 three 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 30, 2014

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 four Non-Executive Directors. The Board has a Non-Executive Promoter Chairman and three other Directors. Out of these, two members are Independent Directors. Hence, the Company complies with the Listing Agreement with the Stock Exchange and also the Companies Act, 2013, for Independent Directors.

### BOARD PROCEDURES

During the year under review, the Board of Directors met five times on April 15, 2013, May 29, 2013, July 30, 2013, October 30, 2013 and January 31, 2014.

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, 2014 is given below :-

Name of the Director	Category of Director	Board Meetings		Last AGM Attended	No. of Committee Memberships held in the Company @\$		No. of Directorships held \$
		Held	Attended		Chairman	Member	
Mr. Ashok Goel	NED	5	5	Yes	NIL	1	4
Mr. J.M. Fernandes *	NED, ID	5	5	No	2	1	1
Mr. Mohender Garg	NED, ID	5	5	Yes	NIL	1	1
Ms. Reshma Rao (appointed w.e.f. September 05, 2014)	NED	-	-	-	NIL	-	-

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.

### Committees of the Board

#### 1) Audit Committee

##### Composition:

The Committee comprises of three Non-Executive Directors:

- ❖ Mr. J.M. Fernandes (Chairman)
- ❖ Mr. Ashok Goel
- ❖ 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 of 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 April 15, 2013, May 29, 2013, July 30, 2013, October 30, 2013 and January 31, 2014.

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

<b>Members</b>	<b>Meetings attended</b>
J. M. Fernandes	5
Ashok Goel	5
Mohender Garg	5

2) **Investors' Grievance Committee**

Composition:

The Committee comprises of two Non-Executive Directors:

- ❖ Mr. J.M. Fernandes (Chairman)
- ❖ 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, four Committee Meetings were held on May 29, 2013, July 30, 2013, October 30, 2013 and January 30, 2014.

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

<b>Members</b>	<b>Meetings attended</b>
J. M. Fernandes	4
Ashok Goel	4

During the year, no complaints were received from the investors and hence there were no pending complaints as on March 31, 2014.

3) **Remuneration Committee**

Composition:

The Committee comprises of three Non-Executive Directors:

- ❖ Mr. J.M Fernandes (Chairman)
- ❖ Mr. Ashok Goel
- ❖ Mr. Mohender Garg

Terms of Reference:

The Committee was constituted to decide the terms of remuneration of Mr. Suresh Kumar Suri as Manager under Section 269 of the Companies Act, 1956 and corresponding provisions of the Companies Act, 2013.

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. 13,000 and Rs. 9,000 respectively.

The Remuneration paid to the Manager under Section 269 of the Companies Act, 1956, for year ended March 31, 2014, is as under:-

Name	Position	Gross Remuneration Paid (Rs.)	Stock Options Granted	Service Contract	Notice Period
Mr. Suresh Kumar Suri	Manager	Rs. 569,173 #	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	2013-2014
1.	Salaries, Allowances and Perquisites*	544,333
2.	Contribution to Provident and other funds	24,840
	<b>Total</b>	<b>569,173</b>

\* 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 three 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 with the stock exchange.

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 30, 2014.

**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.	<b>Annual General Meeting</b> (Day, Date, Time & Venue)	Tuesday, September 30, 2014, at 11.00 a.m at 2006, Fossberry Road, Near ICI Ltd., Reay Road, Mumbai - 400 033.																					
2.	<b>Financial Year</b>	April to March																					
3.	<b>Book Closure Dates</b>	From Friday, September 26, 2014 to Tuesday, September 30, 2014 (both days inclusive).																					
4.	<b>Dividend payment date</b>	Not applicable.																					
5.	<b>Registered Office</b>	2006, Fossberry Road, Near ICI Ltd., Reay Road (E), Mumbai-400 033.																					
6.	<b>Listing of Shares on Stock Exchanges</b>	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.	<b>Market price date: (High / Low during each month during the year 2013-2014)</b>	<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>May 2013</td> <td>5.25</td> <td>4.99</td> <td>19760</td> </tr> <tr> <td>June 2013</td> <td>5.07</td> <td>4.4</td> <td>19396</td> </tr> <tr> <td>July 2013</td> <td>6.14</td> <td>5.32</td> <td>19346</td> </tr> </tbody> </table> <p><i>Note: Since there were no transactions in the Company's Share on BSE during the month of April and during the period August 2013 to March 2014, market price for that period is not available. Hence market price only for the month of May 2014, June 2014 and July 2014 mentioned in the above table.</i></p>			Month	BSE			High	Low	BSE Sensex	May 2013	5.25	4.99	19760	June 2013	5.07	4.4	19396	July 2013	6.14	5.32	19346
Month	BSE																						
	High	Low	BSE Sensex																				
May 2013	5.25	4.99	19760																				
June 2013	5.07	4.4	19396																				
July 2013	6.14	5.32	19346																				
8.	<b>Stock Exchange</b>	Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001.																					
9.	<b>Stock Code</b>	502460																					
10.	<b>Registrar and Share Transfer Agent</b>	M/s. Sharepro Services (India) Pvt. Ltd. <b>Unit : SOLID CONTAINERS LIMITED</b> 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																					

<b>11. Compliance Officer</b>	Anjali Singh Company Secretary			
<b>12. Share Transfer System</b>	Physical shares sent for transfer are duly transferred within the specified period, if documents are in order.			
<b>13. Details of General Meetings of Shareholders</b>				
	<b>Date</b>	<b>AGM / EGM</b>	<b>Location</b>	<b>Time</b>
	26/09/2013	AGM	Registered Office	12.00 noon
	28/09/2012	AGM	Registered Office	10.30 a.m.
	29/09/2011	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, 2014 no special resolution was passed by the company's shareholders through postal ballot.

<b>14. Shareholding Pattern as on 31st March, 2014</b>					
	<b>Particulars</b>	<b>No. of Shares</b>	<b>Percentage of Shareholding</b>		
	Promoters	1,528,966	56.63		
	FII's	NIL	NIL		
	NRIs	NIL	NIL		
	Mutual Funds, FIs, Banks and Insurance Companies	541,600	20.06		
	Bodies Corporate	340,610	12.62		
	Resident Indians	288,824	10.70		
	<b>Total</b>	<b>2,700,000</b>	<b>100.00</b>		
<b>15. Distribution schedule as on 31st March, 2014</b>					
	<b>Distribution</b>	<b>No. of Shareholders</b>	<b>% to total holders</b>	<b>No. of Shares</b>	<b>% to total shares</b>
	Less than 500	622	82.493	110344	4.087
	500 – 1000	75	9.947	56550	2.094
	1001 – 2000	24	3.183	37350	1.383
	2001 – 3000	10	1.326	25350	0.939
	3001 – 4000	2	0.265	6100	0.226
	4001 – 5000	2	0.265	8650	0.320

5001 –10000	4	0.531	26010	0.963
Above 10001	15	1.989	2429646	89.987
<b>TOTAL</b>	<b>754</b>	<b>100.00</b>	<b>2700000</b>	<b>100.00</b>
16.	<b>Dematerialisation of shares &amp; liquidity</b>	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.	<b>Outstanding GDRs / ADRs / Warrants or any Convertible Instruments and their likely impact on equity</b>	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.	<b>Plant Location</b>	Vadavali, P.O. Mohone, District Thane-421102.		
19.	<b>Address for Correspondence</b>	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 30, 2014

SURESH KUMAR SURI    ASHOK GOEL  
MANAGER                      DIRECTOR

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

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 the year ended 31st March, 2014.

**FOR SOLID CONTAINERS LIMITED**

Place : Mumbai  
Date : May 30, 2014

SURESH KUMAR SURI  
MANAGER

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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To

The Members of  
**Solid Containers Limited**

We have examined the compliance of conditions of Corporate Governance by **Solid Containers Limited** (the Company) for the year ended 31 March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding thirty days against the company as per the records maintained by the Company.

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, 30 May, 2014

## INDEPENDENT AUDITORS' REPORT

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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 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then 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") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 any adjustment to the financial statements 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 2013 was also qualified in respect of the above matter.*

**QUALIFIED OPINION**

7. *In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, 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 2014;*
  - (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:
- (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 account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) 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;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India; and
  - (e) On the basis of written representation received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

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

**Sanjay Kothari**  
Partner  
Membership Number 048215  
Mumbai, 30 May 2014



**ANNEXURE REFERRED TO IN PARAGRAPH 8 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE**

- (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 purchase of inventory, fixed assets and sale of goods and services. However there are no purchase of inventory and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system in respect of the aforesaid areas.
- (v) According to the information and explanations given to us, there are no contracts or arrangements the particulars of which are required to be entered into the register maintained in pursuance to 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) Undisputed Statutory dues including provident fund, investor education and protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and others as applicable have generally been regularly deposited with the appropriate authorities *except delay in few cases.* There are no undisputed amounts payable in respect of the aforesaid dues outstanding as at 31 March, 2014 for a period of more than six months from the date they became payable.
  - (b) According to the records of the Company, the dues of excise duty and income tax which are not deposited on account of any dispute are as under:

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount in Rupees</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Central Excise Act, 1944	Excise Duty	354,616	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

- (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 financial year ended 31 March 2014 and in the immediately preceding financial year.*
- (xi) The Company has not taken any loans from banks / financial institutions or issued debentures during the year.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society.
- (xiv) The Company is not dealing in or trading in shares, 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 loans during the year.
- (xvii) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company and related information as made available to us, we are of the opinion that funds raised on short-term basis aggregating to Rs. 2,120,000 have been used for long term purposes for purchase of fixed assets.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xix) The Company has not issued any secured debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based on the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

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

**Sanjay Kothari**  
Partner  
Membership Number 048215  
Mumbai, 30 May 2014

**BALANCE SHEET AS AT 31 MARCH 2014**

	NOTES	2014 (Rs.)	2013 (Rs.)
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds :</b>			
Share Capital	3	167,000,000	167,000,000
Reserves and Surplus	4	(457,154,351)	(433,423,788)
		<b>(290,154,351)</b>	<b>(266,423,788)</b>
<b>Non-current liabilities</b>			
Long-term provisions	5	8,219	-
		<b>8,219</b>	<b>-</b>
<b>Current liabilities</b>			
Short-term borrowings	6	255,095,200	247,871,169
Other current liabilities	7	72,759,128	55,721,192
Short-term provisions	5	350,607	340,316
		<b>328,204,936</b>	<b>303,932,677</b>
<b>Total</b>		<b>38,058,803</b>	<b>37,508,889</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	8	32,869,425	32,098,046
Long-term loans and advances	9	4,863,243	4,833,243
		<b>37,732,668</b>	<b>36,931,289</b>
<b>Current assets</b>			
Cash and bank balances	10	317,920	64,855
Short-term loans and advances	9	8,215	512,745
		<b>326,135</b>	<b>577,600</b>
<b>Total</b>		<b>38,058,803</b>	<b>37,508,889</b>
Notes forming part of the financial statements	1-26		

As per our attached report of even date

For **MGB & Co.**

Chartered Accountants

Firm Registration Number 101169W

**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 30 May 2014

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, 2014

	NOTES	2014 (Rs.)	2013 (Rs.)
<b>INCOME</b>			
Other Income	11	300,000	438,785
	<b>Total</b>	<b>300,000</b>	<b>438,785</b>
<b>EXPENDITURE</b>			
Employee benefit expenses	12	1,357,632	1,292,392
Finance costs	13	18,541,312	17,083,676
Depreciation and amortisation expenses	8	1,348,621	1,289,732
Other expenses	14	2,782,999	3,090,585
	<b>Total</b>	<b>24,030,563</b>	<b>22,756,385</b>
<b>Profit/(Loss) before tax</b>		<b>(23,730,563)</b>	<b>(22,317,600)</b>
<b>Less: Tax Expenses</b>			
Current tax - Current year		-	-
- Earlier year		-	-
Deferred tax		-	-
<b>Profit/(Loss) after tax</b>		<b>(23,730,563)</b>	<b>(22,317,600)</b>
<b>Earnings per share (Face value of Rs. 10 each)</b>			
Basic and diluted earnings / (loss) per share (Rs.)		(14.34)	(13.82)
Weighted average no. of Equity shares used in computing earning per share - basic and diluted		2,700,000	2,700,000

Notes forming part of the financial statements 1-26

As per our attached report of even date

For **MGB & Co.**

Chartered Accountants

Firm Registration Number 101169W

**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 30 May 2014

For and on behalf of the Board

**ASHOK GOEL**

Director

**J. M. FERNANDES**

Director

**SURESH KUMAR SURI**

Manager

**ANJALI SINGH**

Company Secretary

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**NOTES FORMING PART OF THE FINANCIAL STATEMENT**

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**1. Corporate Information**

Solid Containers Limited is a Company incorporated under the Companies Act, 1956. The operations of the Company have been suspended since 25 September 1998.

**2. Significant Accounting Policies:****(i) Basis of preparation**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principle in India (Indian GAAP). The company has prepared these financial statements to comply in all material respect with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014, issued by the Ministry of Corporate Affairs. The financial statements have been prepared on an accrual basis and under the historical cost convention (except for revaluation of land). The accounting policies adopted in the preparation of financial statement are consistent with those of previous year.

**(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 tangible assets**

- a) Depreciation on tangible fixed assets is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.
- b) Premium on Leasehold Improvements are amortized over the period of Lease.

**(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) Revenue Recognition**

Income and Expenditure are accounted on accrual basis.

**(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)**
**NOTE 3 SHARE CAPITAL :**

		<b>2014</b>	<b>2013</b>
<b>Authorised</b>			
4,600,000	(4,600,000) Equity Shares of Rs.10/- each	46,000,000	46,000,000
25,000	(25,000) Redeemable Cumulative Preference Shares of Rs. 100/- each	2,500,000	2,500,000
15,000	(15,000) Unclassified Shares of Rs.100/- each	1,500,000	1,500,000
8,000,000	(8,000,000) 12% Redeemable Cumulative Preference shares of Rs. 10/- each.	80,000,000	80,000,000
6,000,000	(6,000,000) 9% Redeemable Cumulative Preference shares of Rs. 10/- each.	60,000,000	60,000,000
<b>Total</b>		<b>190,000,000</b>	<b>190,000,000</b>
<b>Issued, Subscribed and Paid-up</b>			
2,700,000	(2,700,000) Equity Shares of Rs. 10/- each fully paid up	27,000,000	27,000,000
8,000,000	(8,000,000) 12% Redeemable Cumulative Preference shares of Rs. 10/- each fully paid-up.	80,000,000	80,000,000
6,000,000	(6,000,000) 9% Redeemable Cumulative Preference shares of Rs. 10/- each fully paid-up.	60,000,000	60,000,000
<b>Total</b>		<b>167,000,000</b>	<b>167,000,000</b>

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

	<b>2014</b>		<b>2013</b>	
	<b>Number of equity shares</b>	<b>Amount in Rupees</b>	<b>Number of equity shares</b>	<b>Amount in Rupees</b>
At the beginning of the year	2,700,000	27,000,000	2,700,000	27,000,000
Add: Changes during the year	-	-	-	-
Outstanding at the end of the year	<b>2,700,000</b>	<b>27,000,000</b>	<b>2,700,000</b>	<b>27,000,000</b>

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

	2014		2013	
	Number of equity shares	Amount in Rupees	Number of equity shares	Amount in Rupees
At the beginning of the year	14,000,000	140,000,000	14,000,000	140,000,000
Add Changes during the year	-	-	-	-
Outstanding at the end of the year	<b>14,000,000</b>	<b>140,000,000</b>	<b>14,000,000</b>	<b>140,000,000</b>

**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 (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 (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**

	2014		2013	
	Number of equity shares	% Holding	Number of equity shares	% Holding
<b>Equity Shares</b>				
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	273,950	10.15
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

	2014		2013	
	Number of Preference shares	% Holding	Number of Preference shares	% Holding
<b>Preference Shares</b>				
ERP Infrastructure Projects Private Limited	14,000,000	100	14,000,000	100



**NOTES FORMING PART OF THE FINANCIAL STATEMENT**
**(Amount in Rupees)**
**NOTE 4 RESERVES AND SURPLUS :**

	2014	2013
(a) Capital Reserve - As per last Balance Sheet	926,071	926,071
(b) Securities Premium - As per last Balance Sheet	45,000,000	45,000,000
(c) Capital Redemption Reserve - As per last Balance Sheet	1,000,000	1,000,000
(d) Revaluation Reserve - As per last Balance Sheet	16,086,822	16,086,822
(e) Surplus / (deficit) in the Statement of Profit and Loss As per last Balance Sheet	(496,436,681)	(474,119,081)
Add: Profit / (loss) for the year	(23,730,563)	(22,317,600)
	<b>(520,167,244)</b>	<b>(496,436,681)</b>
<b>Total</b>	<b>(457,154,351)</b>	<b>(433,423,788)</b>

**NOTE - 5 PROVISIONS**

	Long - term		Short - term	
	2014	2013	2014	2013
<b>Provision for employee benefits</b>				
- Gratuity	3,187	-	298,559	288,572
- Leave Encashment	5,032	-	52,048	51,744
<b>Total</b>	<b>8,219</b>	<b>-</b>	<b>350,607</b>	<b>340,316</b>

**NOTE - 6 SHORT - TERM BORROWINGS (Unsecured)**

	2014	2013
(a) From Government of Maharashtra	1,364,649	1,364,649
(b) Inter-corporate Loans	253,730,551	246,506,520
<b>Total</b>	<b>255,095,200</b>	<b>247,871,169</b>

- (i) Loan from Government of Maharashtra of Rs. 1,364,649 (Rs.1,364,649) carries interest @ 12.50% p.a. which is overdue from financial year 1983 - 84
- (ii) Inter-corporate Loans of Rs.19,043,687 (Rs.13,399,656) carries interest @ 9% p.a. and Rs. 234,686,864 (Rs.233,106,864) carries interest @ 6% p.a. The loans are repayable on demand.

**NOTE - 7 OTHER CURRENT LIABILITIES**

	2014	2013
Interest accrued and due #	66,903,461	50,205,369
Statutory liabilities	1,850,718	1,703,796
Creditors for expenses	4,004,949	3,812,027
<b>Total</b>	<b>72,759,128</b>	<b>55,721,192</b>

Period and amount of continuing default are stated as under:

	2014	2013
0 to 365 Days	16,698,092	15,391,374
More than 365 Days	50,205,369	34,813,995
<b>Total</b>	<b>66,903,461</b>	<b>50,205,369</b>

# includes interest of Rs. 66,903,461 (Rs. 50,205,369) which is overdue.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## NOTE 8 : FIXED ASSETS

(Amount in Rupees)

Description of Assets	Gross Block			Depreciation / Amortisation				Net Block	
	As at 01-04-2013	Additions (Deductions)	As at 31-03-2014	upto 31-03-2013	For the year	Deductions	Upto 31-03-2014	As at 31-03-2014	As at 31-03-2013
<b>Tangible Assets</b>									
Land	16,171,502	-	16,171,502	-	-	-	-	16,171,502	16,171,502
Leasehold Improvements	-	2,120,000	2,120,000	-	58,889	-	58,889	2,061,111	-
Plant and Machinery	993,984	-	993,984	944,284	-	-	944,284	49,700	49,700
Factory Building	38,354,239	-	38,354,239	22,546,804	1,281,032	-	23,827,836	14,526,403	15,807,435
Furniture and Fixtures	922,879	-	922,879	885,952	-	-	885,952	36,927	36,927
Office Equipments	183,603	-	183,603	168,961	8,700	-	177,661	5,942	14,642
Computers	356,806	-	356,806	338,966	-	-	338,966	17,840	17,840
<b>Total</b>	<b>56,983,013</b>	<b>2,120,000</b>	<b>59,103,013</b>	<b>24,884,967</b>	<b>1,348,621</b>	<b>-</b>	<b>26,233,588</b>	<b>32,869,425</b>	<b>32,098,046</b>
Previous year	56,983,013	-	56,983,013	23,595,235	1,289,732	-	24,884,967	32,098,046	

**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. Budhbatti & 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	
	2014	2013	2014	2013
Security deposits	48,688	48,688	-	-
Other advances	2,051,847	2,051,847	-	501,558
Prepaid expenses	-	-	8,215	11,187
Balances with Govt authorities				
- Direct taxes (net of provisions)	823,120	793,120	-	-
- Indirect taxes	1,939,588	1,939,588	-	-
<b>Total</b>	<b>4,863,243</b>	<b>4,833,243</b>	<b>8,215</b>	<b>512,745</b>

**NOTE - 10 CASH AND BANK BALANCES**
**Cash and cash equivalents**

	2014	2013
Balances with banks in Current account	317,699	46,463
Cash on hand	221	18,392
<b>Total</b>	<b>317,920</b>	<b>64,855</b>

**NOTE - 11 OTHER INCOME**

	2014	2013
Rent Income	300,000	300,000
Interest on Income Tax Refund	-	138,785
<b>Total</b>	<b>300,000</b>	<b>438,785</b>

**NOTE - 12 EMPLOYEE BENEFITS EXPENSE**

	2014	2013
Salaries and allowances	1,310,056	1,247,971
Contribution to provident fund	25,236	25,236
Staff welfare expenses	22,340	19,185
<b>Total</b>	<b>1,357,632</b>	<b>1,292,392</b>

**NOTE - 13 FINANCE COSTS**

	2014	2013
Interest expenses - Others	18,537,663	17,082,664
Bank Charges	3,649	1,012
<b>Total</b>	<b>18,541,312</b>	<b>17,083,676</b>

**NOTE - 14 OTHER EXPENSES**

	2014	2013
Security charges	950,570	874,512
Repairs to others	59,790	57,527
Insurance	32,955	39,785
Rent	18,600	18,600
Rates and Taxes	326,368	769,401
Travelling and Conveyance expenses	47,684	56,455
Payment to auditors (Refer note below)	50,566	64,086
Legal and Professional Fees	964,950	844,973
Printing and Stationery	32,424	38,873
Directors' sitting fees	24,000	25,000
Communication expenses	2,000	2,874
Miscellaneous expenses	273,092	298,499
<b>Total</b>	<b>2,782,999</b>	<b>3,090,585</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(Amount in Rupees)

Payment to auditors

	2014	2013
- Audit Fee	28,090	28,075
- Certification and other matters	20,791	34,326
- Reimbursement of expenses	1,685	1,685
<b>Total</b>	<b>50,566</b>	<b>64,086</b>

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 2014.

16. **Contingent liabilities not provided for:**

(Amount in Rupees)

	2014	2013
Disputed Indirect Taxes	9,566,782	11,000,969
Disputed Direct Tax	306,306	306,306
Dividend on preference share capital	210,672,329	195,672,329
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 has 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 the financial statements 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.

The 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 2014 (under the head "Employee benefit expenses")

**(Amount in Rupees)**

	2014		2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	16,031	22,665	12,709	17,077
Interest cost	23,086	4,140	19,118	2,535
Expected return on plan assets	-	-	-	-
Actuarial gain / (loss)	(25,943)	(21,469)	81,422	32,516
Net Cost	13,174	5,336	113,249	52,128

- II. Net Asset / Liability recognised in the Balance Sheet as at 31 March 2014

**(Amount in Rupees)**

	2014		2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Fair value of plan assets	-	-	-	-
Present value of obligation	301,746	57,080	288,572	51,744
Amount recognized in Balance Sheet	<b>301,746</b>	<b>57,080</b>	<b>288,572</b>	<b>51,744</b>

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

**(Amount in Rupees)**

	2014		2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit obligation as at the beginning	288,572	51,744	302,627	63,764
Current service cost	16,031	22,665	12,709	2,535
Interest cost	23,086	4,140	19,118	17,077
Actuarial gain / (loss) on obligation	(25,943)	(21,469)	81,422	32,516
Benefit paid	-	-	(127,304)	(64,148)
Defined Benefit obligation as at the closing	<b>301,746</b>	<b>57,080</b>	<b>288,572</b>	<b>51,744</b>

IV. Actuarial assumptions

	2014		2013	
	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 Disclosures**

A. 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. Mohender Garg

**B. Transactions with related parties for the year ended 31 March 2014**

**(Amount in Rupees)**

	2014	2013
<b>Interest Expense</b>		
Ayeppee Lamitubes Limited	1,650,719	1,137,880
<b>Rent Income</b>		
Ayeppee Lamitubes Limited	300,000	300,000
<b>Loan taken</b>		
Ayeppee Lamitubes Limited	7,491,442	3,900,000
<b>Repayment of Loan taken</b>		
Ayeppee Lamitubes Limited	1,847,441	270,000

**C. Balances with related parties as at 31 March 2014**
**(Amount in Rupees)**

	<b>2014</b>	<b>2013</b>
<b>Unsecured Loan</b>		
Ayeppee Lamitubes Limited	21,021,964	13,399,656
<b>Interest payable</b>		
Ayeppee Lamitubes Limited	1,485,647	1,978,277

**23. Managerial Remuneration**

The Company has paid remuneration to Manager within the limit of Schedule XIII of Companies Act, 1956. Details of Remuneration paid / payable to the Manager is as under:

**(Amount in Rupees)**

	<b>2014</b>	<b>2013</b>
Salaries, allowances and perquisites *	544,333	559,177
Contribution to provident fund	24,480	24,840
Total	569,173	584,017

\* 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. 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, 30 May 2014

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	31/3/2014		

**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)**

<b>Sources of Funds</b>		<b>Application of Funds</b>	
Paid up Capital	167,000	Non-Current Assets	37,733
Reserves and Surplus	-457,154	Current Assets	326
Secured Loans	0	Losses	0
Non-Current Liabilities	0		
Current Liabilities	328,205		
<b>Total Liabilities</b>	<b>38,059</b>	<b>Total Assets</b>	<b>38,059</b>

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

Turnover	300
Total Expenditure	24,030
Losses	23,731
Losses per Share (Rs.)	(14.34)
Dividend Rate	Nil

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

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

For and on behalf of the Board of Directors

<b>ASHOK GOEL</b>	Director
<b>J. M. FERNANDES</b>	Director
<b>SURESH KUMAR SURI</b>	Manager
<b>ANJALI SINGH</b>	Company Secretary

Place : Mumbai

Date : May 30, 2014



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014**

	(Amount in Rupees)	
	2014	2013
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit / (Loss) before tax</b>	<b>(23,730,563)</b>	<b>(22,317,600)</b>
<b>Adjustments for :</b>		
Depreciation and Amortisation expenses	1,348,621	1,289,732
Interest expenses	18,537,663	17,082,664
<b>Operating Loss before Working Capital Changes</b>	<b>(3,844,280)</b>	<b>(3,945,204)</b>
<b>Adjustments for :</b>		
Trade and other receivables	504,530	(503,122)
Trade and other payables	358,354	1,618,376
<b>Cash from (used in) Operating Activities</b>	<b>(2,981,395)</b>	<b>(2,829,950)</b>
Taxes (paid) / refunded	(30,000)	811,122
<b>Net Cash used in Operating Activities (A)</b>	<b>(3,011,395)</b>	<b>(2,018,828)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets	2,120,000	
<b>Net Cash from Investing Activities (B)</b>	<b>(2,120,000)</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from short-term borrowings	9,071,442	3,900,000
Repayment of short-term borrowings	(1,847,411)	(270,000)
Interest paid	(1,839,571)	(1,691,290)
<b>Net Cash from Financing Activities (C)</b>	<b>5,384,460</b>	<b>1,938,710</b>
<b>Net Increase in cash and cash equivalents (A+B+C)</b>	<b>253,065</b>	<b>(80,118)</b>
Cash and cash equivalents at the beginning of the year	64,855	144,973
<b>Cash and bank balances at the end of the year</b>	<b>317,920</b>	<b>64,855</b>

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, 30 May 2014

For and on behalf of the Board  
**Ashok Goel**  
Director

**J M Fernandes**  
Director

**Suresh Kumar Suri**  
Manager

**Anjali Singh**  
Company Secretary

**SOLID CONTAINERS LIMITED**

Regd. Off. : 2006, Fossberry Road, Near ICI Limited, Reay Road (E), Mumbai - 400033, Phone: 91-22-23759546  
Corporate Identity Number: L28100MH1964PLC013064

**ATTENDANCE SLIP**

49th ANNUAL GENERAL MEETING - SEPTEMBER 30, 2014 AT 11:00 A.M.

Name of the Member(s) :	
Registered address :	
E-mail ID :	
Folio No./DP ID-client ID :	No. of Shares :

I/We certify that I/We am/are the registered Member(s)/proxy for the registered Member(s) of the Company.

I/We hereby record my/our presence at the 49<sup>TH</sup> ANNUAL GENERAL MEETING of the Company at the Registered Office at 2006, Fossberry Road, near ICI Limited, Reay Road (E), Mumbai - 400033, Maharashtra, India on Tuesday, September 30, 2014 at 11:00 a.m.

Note: Please complete this slip and hand it over at the entrance of the Meeting venue.

\_\_\_\_\_  
Member's / Proxy's Signature

**FORM NO. MGT-11  
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L28100MH1964PLC013064
Name of the Company :	Solid Containers Limited
Registered Office :	2006, Fossberry Road, near ICI Limited, Reay Road (E), Mumbai - 400033, Maharashtra, India.
Name of the Member(s) :	
Registered address :	
E-mail ID :	
Folio No :	

I/We, \_\_\_\_\_ being the Member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint.

- Name ..... Address .....  
E-mail Id ..... Signature : ..... or failing him
- Name ..... Address .....  
E-mail Id ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49th Annual General Meeting of the Company, to be held on Tuesday, September 30, 2014 at 11:00 a.m. at the Registered Office at 2006, Fossberry Road, Near ICI Limited, Reay Road (E), Mumbai - 400033 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolu- tion No.	Particulars	Optional*	
		For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the audited Statement of Profit & Loss for the financial year ended March 31, 2014 and the Balance Sheet as on that date and the Report of the Directors' and Auditor's thereon.		
2	To appoint a Director in place of Mr. Ashok Goel (holding DIN: 00025350) who retires by rotation and being eligible offers himself for re-appointment.		
3	To appoint Statutory Auditors and fix their remuneration.		
<b>Special Business (Ordinary Resolutions)</b>			
4	To appoint Mr. Mohender Garg(holding DIN: 00426642) as an Independent Director of the Company to hold office for five consecutive years.		
5	To appoint Mr. J.M. Fernandes(holding DIN: 00147539) as an Independent Director of the Company to hold office for five consecutive years.		
6	To appoint Ms. Reshma Rao (holding DIN: 006966747) as a Woman Director of the Company		
<b>Special Business (Special Resolutions)</b>			
7	To appoint Mr. Suresh Kumar Suri as a Manager for a period of 3 years w.e.f. April 29, 2014.		
8	To borrow monies for an amount not exceeding Rs. 33 Crores, such amount being over and above the aggregate of the paid capital of the Company and its free reserves, that is to say, reserves not set part of for any specific purpose, as the Board of Directors may from time to time deem necessary.		

Signed this ..... day of .....2014

Signature of Member

Signature of Proxy holder(s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Scheduled time for commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 49th Annual General Meeting.
- It is optional to put a 'x' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of Member(s) in above box before submission.

Affix  
Revenue  
Stamp  
of ₹ 1

*If undelivered please return to :*

**SOLID CONTAINERS LIMITED**

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

Tel.: 022 - 2481 9067 Mob.: 98195 83482.

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