

Bombay Oxygen Corporation Ltd.



Annual Report & Accounts - 2013-2014

Bombay Oxygen Corporation Ltd.

Corporate Identity Number – L74999MH1960PLC011835

DIRECTORS :

MR. SHYAM M. RUIA, *Chairman* – DIN 00094600
MR. IBRAHIM A. RAHIMTOOLA – DIN 00192896
MR. MOHAN BIR SINGH – DIN 00192554
MR. AJIT M. GHELANI – DIN 00754651
MR. NIRMAL P. JHUNJHUNWALA – DIN 00192810
MR. AMAY S. RUIA – DIN 00564257

AUDITORS :

S G C O & CO.
4A, Kaledonia – HDIL,
2nd Floor, Sahar Road,
Near Andheri Station,
Andheri(East),
Mumbai – 400 069

COST AUDITOR :

S. PODDAR & CO.
B-205, Chandulal Park,
Station Road,
Bhayandar (West),
Thane - 401101

SOLICITORS :

KANGA & CO.

BANKERS :

CANARA BANK
AXIS BANK LTD.
BANK OF MAHARASHTRA
BANK OF INDIA
ALLAHABAD BANK
HDFC BANK LTD.

REGISTERED OFFICE :

22/B, Mittal Tower,
210, Nariman Point,
Mumbai – 400 021.

FACTORIES :

KALWE (THANE), PUNE,
TARAPUR & NAGPUR

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliance by the companies, and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses. Members are requested to fill the appropriate columns in the members feedback form (refer page no. 41 of Annual Report) and send it to the Company's Registered office.

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued. You are, therefore, requested to bring your copy of the Annual Report to the Meeting.

Bombay Oxygen Corporation Ltd.

NOTICE

NOTICE is hereby given that the 53rd ANNUAL GENERAL MEETING of BOMBAY OXYGEN CORPORATION LIMITED (CIN L74999MH1960PLC011835) will be held at Walchand Hirachand Hall, Lalji Naranji Memorial, Indian Merchants' Chamber Building, 76, Veer Nariman Road, Churchgate, Mumbai – 400 020 on Monday, the 28th July, 2014 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Statement of Profit & Loss of the Company for the year ended 31st March, 2014, and the Balance Sheet as on that date together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amay S. Ruia, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Shyam M. Ruia, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint the Auditors and to fix their remuneration.

By Order of the Board of Directors,

NIRMAL P. JHUNJHUNWALA

Director

Registered Office :

22/B, Mittal Tower, 210, Nariman Point,
Mumbai – 400 021.

Mumbai, 19th May, 2014

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 SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the registered office of the Company not less than 48 hours before the commencement of the Annual General Meeting.
3. The Share Transfer Books of the Company will remain closed from 22nd July, 2014 to 28th July, 2014 (both days inclusive).
4. The shareholders who have not still encashed their 41st to 47th Dividend warrants and fixed depositors who have not encashed their interest warrants and/or fixed deposits are requested to send them to the Company for revalidation/repayment.

By Order of the Board of Directors,

NIRMAL P. JHUNJHUNWALA

Director

Registered Office :

22/B, Mittal Tower, 210, Nariman Point,
Mumbai – 400 021.

Mumbai, 19th May, 2014

Bombay Oxygen Corporation Ltd.

DIRECTORS' REPORT

Your Directors have pleasure in submitting this 53rd ANNUAL REPORT together with the Audited Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS :

	For the year ended 31st March, 2014 (₹ in '000)	For the year ended 31st March, 2013 (₹ in '000)
Profit/(Loss) before depreciation and tax	7,350	(53,793)
Provision for depreciation	34,601	34,731
Profit/(Loss) before tax	(27,251)	(88,524)
Earlier Period Taxation	17	—
Deferred tax credit	(464)	(21,622)
Profit/(Loss) for the year	(26,804)	(66,902)

Appropriations :

Transferred from General Reserve	26,804	67,779
Proposed Dividend	—	750
Tax on Dividend	—	127
	(26,804)	(66,902)

PERFORMANCE :

The 130 TPD tonnage plant at Kalwe has worked satisfactorily, however it could not be utilized to its full capacity, due to less demand in the market. Therefore, the sales have not been good. Plants at other locations are working satisfactorily also.

During the year under review, sales were ₹ 18,97,25,623/- as against ₹ 28,62,33,718/- for the previous year. However, due to stringent financial management controls, the Profit before Depreciation and Tax during the year is ₹ 73,49,826/- as against the loss of ₹ 5,37,91,633/- in the previous year.

DIVIDEND :

On account of losses during last two years, no dividend is recommended (Previous year ₹ 5/- per equity share).

DIRECTORS :

Your Directors Mr. Amay S. Ruia and Mr. Shyam M. Ruia, retire this year by rotation in accordance with the Articles of Association of the Company but, being eligible, offer themselves for re-appointment.

FIXED DEPOSITS :

13 Deposits amounting to ₹ 1,64,000/- due for repayment on or before 31st March, 2014 were not claimed by the depositors.

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

Particulars required to be disclosed under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are annexed hereto which form part of this report.

Bombay Oxygen Corporation Ltd.

GENERAL :

The Company has no employee covered under Section 217(2A) of the Companies Act, 1956. The assets of the Company are adequately insured.

CORPORATE GOVERNANCE :

Report on Corporate Governance along with the certificate of the Auditors M/s S G C O & Co., confirming the compliance of the conditions of corporate governance, as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchange is annexed.

MANAGEMENT DISCUSSION AND ANALYSIS :

(i) Industry Structure and developments :

There is substantial excess capacity of oxygen gas during the year. However, due to less demand most of the large tonnage plants are underutilized. This has led to immense pressure on margins and capacity utilization.

(ii) Opportunities, Threats, Risks and Concerns :

Due to a virtually no growth in the industry the demand by gas consuming industries has been badly affected. The cost of production and logistics has been continually increasing with no corresponding increase in sale price thus affecting our profitability.

(iii) Segment wise product wise performance :

The Company is primarily engaged in the manufacturing and sale of industrial gases, viz, Oxygen, Nitrogen, Argon.

Dissolved Acetylene is outsourced by the Company.

(iv) Outlook :

With the national economy in its present situation, it is difficult to forecast the requirement of gases. We are exploring new markets such as refineries, fertilizers, pharmaceuticals, glass, food processing and the chemical industry. We are also increasing our presence in health care, through the supply of liquid and gaseous medical oxygen.

(v) Internal Control Systems and their adequacy :

The Senior Management periodically reviews factors and issues that influence the Company's business and takes appropriate decisions to ensure that the Company's interest and that of the stakeholders is protected. The Company has an inbuilt system of internal checks and controls.

The Audit Committee of the Board of Directors takes the responsibility to review the Internal Controls and matters connected there with.

(vi) Financial and Operational performance :

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	(₹ in '000)	(₹ in '000)
Sales	1,89,726	2,86,234
Other Income	54,069	(6,979)
Profit/(Loss) before depreciation	7,350	(53,793)
Depreciation	34,601	34,731
Taxes	(447)	(21,622)
Profit/(Loss) after depreciation and taxes	(26,804)	(66,902)

(vii) Material developments in Human Resources/Industry relations front, including number of people employed :

The Company continues to give utmost importance to Human Resources Development and keeps relations normal.

Bombay Oxygen Corporation Ltd.

(viii) Cautionary Statement :

Company's projections and estimates will vary from actual results, which depend on a variety of factors over which the Company does not have any control.

DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors hereby declare :

- (i) that in the preparation of the annual accounts, all applicable accounting standards have been followed;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the working of the Company for that year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

AUDITORS :

M/s. S G C O & Co., Chartered Accountants, having Registration No. 112081W, Statutory Auditors of the Company, retire at this Annual General Meeting and being eligible offer themselves for re-appointment.

COMPLIANCE CERTIFICATE :

The Compliance Certificate under section 383A of the Companies Act, 1956 has been obtained from M/s. Sanjay Dholakia & Associates – Practicing Company Secretary, for the year under review and same is attached with this Report.

On behalf of the Board

Mumbai, 19th May, 2014

S. M. RUIA
Chairman

Bombay Oxygen Corporation Ltd.

ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014.

A. CONSERVATION OF ENERGY :

- (a) The Company has taken measures for conservation of energy by regular maintenance of all plants.
- (b) The Company has made adequate arrangements for installation of vacuum lines, liquid pumping system, capacitors, UPS and other energy efficient equipments.
- (c) The measures like monitoring of power consumption, power factor and regular maintenance of all systems have kept power cost in control.
- (d) Energy conservation in respect of Specified Industries : Not Applicable.

B. TECHNOLOGY ABSORPTION :

RESEARCH & DEVELOPMENT :

The Company continues to lay emphasis on Research & Development.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION AND BENEFITS DERIVED THEREFROM :

The 130 TPD Tonnage plant and 40 TPD Oxygen Liquefier at Kalwe, both imported, continued to work satisfactorily during the year, producing gaseous and liquid oxygen, nitrogen and argon. The other plants in the Company are indigenous, producing oxygen and nitrogen in gaseous form.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

	₹ in '000
Total Foreign Exchange earned	NIL
Total Foreign Exchange used	NIL

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REPORT ON CORPORATE GOVERNANCE

1. Company Philosophy on Corporate Governance :

The Company strongly believes in and endeavours to practice good Corporate Governance. It tries to promote the highest possible ethical standards and integrity. It pledges to be a good Corporate caring for health, safety and environment.

The Company is committed to conduct its business in accordance with all applicable Laws, Rules and Regulations envisaging the attainment of the highest levels of transparency, accountability and professionalism in all facets of its operations and interactions with its stakeholders.

2. Board of Directors :

- Composition and size of the Board :

The present strength of the Board is Six. The composition of the Board of Directors with reference to the number of Non-Executive Independent Directors meets with the requirements of Clause 49(I)(A) of the Listing Agreement.

- Board meetings, attendance and other Directorships :

During the year ended 31st March, 2014, Six Board meetings were held on 07.06.2013, 26.06.2013, 29.07.2013, 13.08.2013, 13.11.2013 and 10.02.2014. The maximum time gap between any two consecutive meetings was within the stipulated period of four months. The attendance of each Director at Board meetings and the last Annual General Meeting (AGM) and directorships in other Indian Public Limited Companies and Committee memberships therein are as under :

Name of Director	Category of Directorship	No. of Shares Held	No. of Board meetings attended	Attendance at the last AGM	No. of Directorships in other Public Limited Companies in India	No. of Committee positions held in other Companies	
						Chairman	Member
Mr. Shyam M. Ruia	Non-Executive Chairman, Promoter	11205	6	Yes	3	Nil	Nil
Mr. Nirmal P. Jhunjhunwala	Non-Executive, Independent	200	6	Yes	Nil	Nil	Nil
Mr. Mohan Bir Singh	Non-Executive, Independent	50	4	Yes	Nil	Nil	Nil
Mr. Ajit M. Ghelani	Non-Executive, Independent	50	4	Yes	Nil	Nil	Nil
Mr. Ibrahim A. Rahimtoola	Non-Executive, Independent	50	6	Yes	Nil	Nil	Nil
Mr. Amay S. Ruia	Non-Executive Non-Independent	50	6	Yes	2	Nil	Nil

3. Audit Committee :

- Constitution, Composition and Terms of Reference :

The Audit Committee comprises as under :

1. Mr. Nirmal P. Jhunjhunwala – Non-Executive, Independent Chairman
2. Mr. Ibrahim A. Rahimtoola – Non-Executive, Independent Member
3. Mr. Ajit M. Ghelani – Non-Executive, Independent Member
4. Mr. Amay S. Ruia – Non-Executive, Non-Independent Member

Terms of Reference of the Audit Committee are as outlined in the paragraphs C, D and E of Clause 49(II) of the Listing Agreement.

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- Meetings and Attendance :

During the year ended 31st March, 2014, Five Audit Committee Meetings were held on 07.06.2013, 26.06.2013, 13.08.2013, 13.11.2013 and 10.02.2014. The attendance of each Member at Audit Committee Meetings are as under :

	07.06.2013	26.06.2013	13.08.2013	13.11.2013	10.02.2014
Mr. Nirmal P. Jhunjhunwala	Present	Present	Present	Present	Present
Mr. Ibrahim A. Rahimtoola	Present	Present	Present	Present	Present
Mr. Ajit M. Ghelani	Absent	Absent	Present	Present	Present
Mr. Amay S. Ruia	Present	Present	Present	Present	Present

4. Remuneration Committee :

The Company has not constituted a Remuneration Committee since none of the Directors have been paid any remuneration. The sitting fees paid to the directors has been decided by the Board of Directors.

5. Shareholders'/Investors' Grievance Committee :

- Constitution, Composition and Terms of Reference :

The Shareholders'/Investors' Grievance Committee comprises as under :

1. Mr. Mohan Bir Singh	– Non-Executive Independent	Chairman
2. Mr. Nirmal P. Jhunjhunwala	– Non-Executive Independent	Member
3. Mr. Ibrahim A. Rahimtoola	– Non-Executive Independent	Member
4. Mr. Amay S. Ruia	– Non-Executive Non-Independent	Member

The Committee looks into redressing the Investors' grievances/complaints, viz, non-receipt of transferred shares, non-receipt of dividends etc.

- Meetings and Attendance :

During the year ended 31st March, 2014, Four Shareholders'/Investors' Grievance Committee meetings were held on 13.05.2013, 13.08.2013, 13.11.2013 and 10.02.2014. The attendance of each Member at Shareholders'/Investors' Grievance Committee are as under :

	13.05.2013	13.08.2013	13.11.2013	10.02.2014
Mr. Mohan Bir Singh	Present	Present	Present	Present
Mr. Ibrahim A. Rahimtoola	Present	Present	Present	Present
Mr. Nirmal P. Jhunjhunwala	Absent	Present	Present	Present
Mr. Amay S. Ruia	Present	Present	Present	Present

- Compliance Officer :

Mr. Bhupesh P. Mehta, General Manager (Accounts & Finance) is the Compliance Officer of the Company.

- Shareholders' complaints :

During the year, the Company had received one complaint from the shareholders/investors which has been redressed satisfactorily. As on 31st March, 2014, no complaints were pending.

- Share Transfer :

All Share transfers are received in physical form only since Company has not yet signed the agreement for demat of the shares. The procedure for transfer of shares is narrated under the heading 'Share Transfer System' in this report at point no 9(viii).

Bombay Oxygen Corporation Ltd.

6. General Body Meetings :

Location and time of last three Annual General Meetings (AGM) held are as under:

AGM	Year	Venue	Date	Time	No. of Special Resolutions passed
50th	2010-11	Walchand Hirachand Hall, Indian Merchant Chamber Building, 76, Veer Nariman Road, Churchgate, Mumbai - 400 020.	15.09.2011	11.00 A.M.	Nil
51st	2011-12	– do –	29.08.2012	11.00 A.M.	Nil
52nd	2012-13	– do –	29.07.2013	11.00 A.M.	Nil

No Special Resolution was passed in last year through Postal Ballot. No Special Resolution is proposed till date to be conducted through Postal Ballot this year.

7. Disclosures :

- (i) There are no transactions with any of the related parties.
- (ii) The Company has complied with all the provisions of various Corporate Acts, Rules and Regulations made there under, including various clauses of Listing Agreement. There has been no instance of non-compliance by the Company on any matter related to the Capital Markets, during the last three years.
- (iii) Though there is no formal Whistle Blower policy, the Company takes cognizance of complaints and suggestions by employees and others. All the employees of the Company have free access to the Audit Committee of the Company.
- (iv) The Board of Directors has laid down a Code of Conduct for all the Board members and Members of the Senior Management of the Company. A declaration from the Chairman affirming compliance of the said Code is annexed.

8. Means of Communication :

- (i) The Board of Directors of the Company approve and take on record the unaudited quarterly financial results and audited annual financial results and announce forthwith the results to the Bombay Stock Exchange Ltd., where the shares of the Company are listed. The same are published in two local news papers namely Free Press Journal English and Navshakti Marathi within 48 hours of approval thereof and are displayed on the Company's website www.bomox.com.
- (ii) The Company has not made any presentation to institutional investors or to analysts. The Company does not have an official news release.
- (iii) Management Discussion and Analysis is a part of the Directors' Report.

9. General Shareholder information :

- (i) Fifty Third Annual General Meeting:
 - Date : 28th July, 2014
 - Time : 11.00 a.m.
 - Venue : Walchand Hirachand Hall,
Indian Merchant Chamber Building, 76, Veer Nariman Road,
Churchgate, Mumbai - 400 020.
- (ii) Financial Calendar (proposed) : April, 2014 to March, 2015
 - First Quarter results : Before 14th August, 2014
 - Second Quarter results : Before 14th November, 2014
 - Third Quarter results : Before 14th February, 2015
 - Audited results for the year ended : Before 30th May, 2015
 - 31st March, 2015

Bombay Oxygen Corporation Ltd.

- (iii) Date of Book Closure : 22nd July, 2014 to 28th July, 2014
 (iv) Listing on Stock Exchange : Bombay Stock Exchange Limited
 (v) Stock Code : 509470
 (vi) Market Price Data : High and Low of share price on BSE and BSE Sensex during each month in the last financial year:

MONTH	Price of the Share		BSE SENSEX	
	HIGH (₹)	LOW (₹)	HIGH	LOW
April, 2013	5215.00	5215.00	19622.68	18144.22
May, 2013	5503.00	5000.00	20443.62	19451.26
June, 2013	5565.00	5035.05	19860.19	18467.16
July, 2013	5287.00	5287.00	20351.06	19126.82
August, 2013	5287.00	5287.00	19569.20	17448.71
September, 2013	5287.00	5287.00	20739.69	18166.17
October, 2013	5287.00	5287.00	21205.44	19264.72
November, 2013	5022.75	5020.00	21321.53	20137.67
December, 2013	5650.00	5025.00	21483.74	20568.70
January, 2014	5367.55	5367.55	21409.66	20343.78
February, 2014	5367.55	5367.55	21140.51	19963.12
March, 2014	5099.20	5099.20	22467.21	20920.98

- (vii) Registrar and Transfer Agents : There is no Registrar and Transfer Agent and the Company carries on the job of share transfer in house.
- (viii) Share Transfer System : Shares are to be lodged at the registered office of the Company for transfer along with transfer deed duly executed in all respect. All share transfers are normally processed within one month from the date of lodgment thereof and are approved by the Committee of Directors constituted by the Board of Directors for this purpose. The Committee meets once every fortnight/month depending upon the volume relating to transfers, transmissions, issue of duplicate shares, replacement of shares etc.
 Pursuant to Clause 47(c) of the Listing Agreement with the Bombay Stock Exchange Ltd., on half-yearly basis, certificates have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company and Secretarial audit is done on a quarterly basis for reconciliation of the share capital of the Company.

- (ix) Distribution of Share Holding :

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1 – 50	5040	97.75	43716	29.14
51 – 100	75	1.45	5664	3.78
101 – 200	20	0.39	3030	2.02
201 – 300	3	0.06	840	0.56
301 – 400	1	0.02	320	0.21
401 – 500	4	0.08	1890	1.26
501 & above	13	0.25	94540	63.03
	5156	100.00	150000	100.00

Bombay Oxygen Corporation Ltd.

(x) Shareholding Pattern as on 31st March, 2014 :

Category	Number of Shares Held	% of Shares held
Indian Promoters	88400	58.93
Banks, FIs, Insurance Companies	244	0.16
Other Pvt. Corporate Bodies	5886	3.93
Indian Public	55159	36.77
Foreign Holdings (NRI/OCBs)	311	0.21
Total	150000	100.00

- (xi) Dematerialisation of shares and liquidity : The Company has not yet signed agreement for the dematerialisation of its shares with any Depository. The shares are traded in physical form at the Bombay Stock Exchange Limited.
- (xii) Outstanding GDR/ADR/Warrants etc : Nil
- (xiii) Plants Locations :
- | Location | Address |
|--------------|--------------------------------------------------------------------------------------|
| (i) Kalwe | : In the premises of Mukand Ltd., Belapur Road, Kalwe, Thane. |
| (ii) Nagpur | : 45/1, M.I.D.C., Hingna Industrial Estate, Near Facor Steel Ltd., Nagpur - 440 016. |
| (iii) Pune | : Plot No. 64, F2 Block, Bhosari Ind. Estate, MIDC, Pimpri, Pune - 411 018. |
| (iv) Tarapur | : Plot No. F - 8/2, MIDC Area, Tarapur, Dist. - Thane. |
- (xiv) Address for correspondence : 22/B, Mittal Tower, 210, Nariman Point, Mumbai - 400 021.
Phone: 022-66107503-08
Fax : 022-66107513
Email: bomoxy@mtnl.net.in
- (xv) Corporate Identity Number (CIN) : Our Corporate Identity Number (CIN) allotted by Ministry of Corporate Affairs, Government of India is L74999MH1960PLC011835 and our Company Registration Number is 011835.

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding affirmation of Code of Conduct

In terms of the requirements of the amended Clause 49 of the Listing Agreement, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2014.

Mumbai, 19th May, 2014.

S. M. Ruia
Chairman

Bombay Oxygen Corporation Ltd.

Auditors' Certificate on compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement

To the members of Bombay Oxygen Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Bombay Oxygen Corporation Limited, for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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 the above mentioned Listing Agreement.

We 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 S G C O & Co.
Chartered Accountants
Registration No. 112081W

Shyamratan Singrodia
Partner
Membership No. 49006

Mumbai, 19th May, 2014

Bombay Oxygen Corporation Ltd.

COMPLIANCE CERTIFICATE

(Under rule 3 of Companies Compliance Certificate Rules, 2002)

To the Members of Bombay Oxygen Corporation Limited

CINL74999MH1960PLC011835

We have examined the registers, records, books and papers of Bombay Oxygen Corporation Limited, (the Company), as required to be maintained under the Companies Act, 1956, (The Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. the Company has kept and maintained all the Registers as stated in Annexure 'A' to this Certificate, as per the provisions and the rules made there under and entries therein have been duly recorded;
2. the Company has duly filed the forms and returns as stated in Annexure 'B' of this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or any other authorities within the time prescribed under the Act and the rules made there under;
3. the Company is a Public Limited Company and the restrictions mentioned in Section 3(1)(iii) of the Act is not applicable to Public Limited Companies. The Authorised share capital is ₹3,00,00,000/- divided in to 1,50,000 Equity shares of ₹ 100/- each and 1,50,000 Unclassified shares of ₹100/- each and paid up share capital is ₹ 1,50,00,000/- divided in to 1,50,000 Equity shares of ₹100/- each;
4. the Board of Directors duly met 5 times on 07.06.2013, 26.06.2013, 29.07.2013, 13.08.2013,13.11.2013 and 10.02.2014, in respect of which minutes have been properly recorded and signed including the circular resolutions passed in the minutes book maintained for the purpose;
5. the Company closed its Register of Members, from 23rd July, 2013 to 29th July, 2013 during the financial year and necessary compliance of Section 154 of the Act has been made;
6. the Annual General Meeting for the financial year ended on 31st March, 2013 was held on 29th July, 2013 after giving due notice to the members of the company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose;
7. no Extra ordinary general meeting of the Company was held during the year under review;
8. the Company has not advanced any loans to its Directors or persons or firms or Companies referred to under Section 295 of the Act;
9. the Company has not entered into any contracts falling within the purview of Section 297 of the Act;
10. the Company is not required to make any entry in the Register maintained under Section 301 of the Act;
11. as there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members and Central Government;
12. the Board of Directors and its duly constituted committee of Directors had approved the issue of duplicate share certificate with the provisions of the Articles of Association of the Company;
13. The Company has:
 - (i) delivered all the share certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) the Company has Deposited the amount of dividend declared at the 52nd Annual General Meeting in a separate bank account on 02/08/2013, which is within five days from the date of declaration of such dividend;
 - (iii) the Company paid/posted warrants for dividends to all the members within the stipulated time from the date of the declaration and that all unclaimed/unpaid dividend has been transferred to the unpaid dividend account of the Company with HDFC Bank Limited;
 - (iv) transferred the amounts in unpaid dividend account, mature fixed deposits, and the interest warrants accrued on fixed deposits thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund from time to time during the financial year;
 - (v) complied with the requirements of the Section 217 of the Act;
14. the Board of Directors of the Company is duly constituted and the appointment of Directors, were duly made at AGM;

Bombay Oxygen Corporation Ltd.

15. the Company has not appointed Managing Director/Whole time Director during the year under review, therefore compliance with the provisions of Section 269 read with Schedule XIII to the Act, and approval of the Central Government is not required;
16. the Company has not made appointment of Sole-selling agents during the financial year;
17. the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year;
18. the Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under;
19. the Company has not issued any equity shares/debentures or other securities during the financial year;
20. the Company has not bought back any shares during the financial year;
21. there was no redemption of preference shares/debentures during the financial year;
22. there were no transactions necessitating the Company to keep in abeyance rights to dividend and rights to shares, pending registration of transfer of shares. However transfer of 75001 Equity Shares acquired by the acquirer is under litigation and as directed by the Honorable Supreme Court of India amounts of Dividend due for the such acquired shares are deposited in a separate bank account instead of posting to the members whose names are on the Register of Members, who have already sold these shares to the acquirer;
23. the Company has complied with the provisions of Section 58A and 58AA read with Companies (Acceptance of deposit) Rules, 1975 and the applicable direction issued by the Reserve Bank of India or any other Authority. The Company has not accepted or renewed any fixed deposit during the year under review. The Company had filed the Return of deposit with the Registrar of Companies for the financial year ended 31/03/2013;
24. the amount borrowed by the Company from Directors, members, public financial institutions, Banks and from others during the financial year ending 31/03/2014, are within the borrowing limits of the Company and as per the Special Resolutions as per Section 293(1)(d) of the Act passed in duly convened Annual/Extraordinary General meeting;
25. the Company has not made any loans or advances or given guarantees or provided securities to the other bodies corporate and consequently no entries have been made in the register kept for the purpose;
26. the Company has not altered the provisions of the Memorandum with respect to the situation of the Company's Registered office from one state to another during the year under scrutiny;
27. the Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny;
28. the Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny;
29. the Company has not altered the provisions of the Memorandum with respect to the share capital of the Company during the year under scrutiny;
30. the Company has not altered its Articles of Association during the financial year;
31. there was no prosecution initiated against or show cause notices received by the Company during the financial year for offences under the Act;
32. the Company has not received any money as security deposit from its employees during the financial year under certification;
33. The company has deposited both employees and employers contributions to provident fund with prescribed authorities during the financial year. The provisions of Section 418 of the Companies Act, 1956 are not applicable to the Company.

For SANJAY DHOLAKIA & ASSOCIATES

(SANJAY R. DHOLAKIA)
Practising Company Secretary
Proprietor
FCS 2655 CP 1798

Mumbai, 19th May, 2014

Bombay Oxygen Corporation Ltd.

ANNEXURE – A

Annexure to the Compliance Certificate of BOMBAY OXYGEN CORPORATION LIMITED

Registers/Records maintained by the Company

Sr. No.	Particulars	Section of the Act
1.	Index of Members	151
2.	Register of Debenture holder	152
3.	Registers of Director	303
4.	Registers of Director's shareholding.	307
5.	Register of Contracts	301
6.	Register of share transfer	
7.	Filing records of ROC documents	
8.	Books of accounts	209
9.	Minutes books Board of Directors/AGM/EGOM	
10.	Register of Nomination of shareholders	
11.	Register Investments	372/372A
12.	Register of charges	143
13.	Register of Investments	49
14.	Register of Deposits under Rule 7 of Deposit Rules	

Bombay Oxygen Corporation Ltd.

ANNEXURE - B

Annexure to the Compliance Certificate of BOMBAY OXYGEN CORPORATION LIMITED

Forms and Returns filed by the Company with the Registrar of Companies, Regional Director, Central Government, or other authorities during the financial year ended 31st March, 2014.

Sr. No	Form No./ Returns	Section under Act	Particulars of documents	MCA filing date
1.	Annual Return	159(1)	as on 29/07/2013	27/08/2013
2.	Balance Sheet, Directors' & Auditors' Report	220(1)	as on 31/03/2013	27/08/2013
3.	Compliance Certificate	383A	31/03/2013	30/07/2013
4.	Return of deposits	58A	31/03/2013	21/06/2013
5.	Investor Education & Protection Fund	205 C	Unclaimed Dividend	04/10/2013
6.	Investor Education & Protection Fund	205 C	Unclaimed Deposit and Interest	20/04/2013, 15/05/2013, 13/06/2013, 11/07/2013, 24/07/2013, 01/08/2013, 22/08/2013, 23/08/2013, 29/08/2013, 02/09/2013, 22/09/2013, 08/11/2013, 29/11/2013, 16/12/2013, 03/01/2014, 21/01/2014, 12/02/2014, 18/03/2014.
7.	Form 1	233B(4)	Cost Audit Report	23/09/2013

For SANJAY DHOLAKIA & ASSOCIATES

SANJAY R. DHOLAKIA
Practising Company Secretary
Proprietor
FCS 2655 CP 1798

Mumbai, 19th May, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of Bombay Oxygen Corporation Limited,

Report on the Financial Statements

We have audited the accompanying financial statements of Bombay Oxygen Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss and 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

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 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. 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

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.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud and 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 and 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 31st March, 2014;
- (b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, 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 the paragraphs 4 and 5 of the Order.
2. 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit & 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, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013; and
 - (e) On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For S G C O & Co.
Chartered Accountants
Firm Reg. No. 112081W

Shyamratan Singrodia
Partner
Membership. No. 49006

Mumbai, 19th May, 2014

Bombay Oxygen Corporation Ltd.

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Auditors Report to the members of Bombay Oxygen Corporation Limited for the year ended 31st March 2014.

As required by the Companies (Auditors Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- (c) During the year, the Company has not disposed off any substantial fixed assets.
- (ii) (a) The inventories have been physically verified during the year by the management.
- (b) The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to book records were not material.
- (iii) (a) During the year the Company has neither granted nor taken any loans, secured or unsecured to / from any party covered in the registered maintained under Section 301 of the Companies Act, 1956.
- (b) In view of our comments in para (a) above, clauses 4 (iii) (b) to (g) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) In our opinion and according to the information and explanation given to us, the Company has not entered into any contracts or arrangement that needs to be entered into the register maintained under Section 301 of the Act.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regards to unclaimed matured fixed deposits accepted from public. However, the Company has not accepted any fresh deposits during the year.
- (vii) The Company has internal audit system commensurate with its size and nature of business.
- (viii) As per explanation & information given to us, the Company has maintained the cost record as prescribed by the Central Government under clause (d) of sub section (1) of Section 209 of the Act. However the same have not been reviewed by us.
- (ix) (a) According to the records of the Company, the undisputed statutory dues including Provident Fund, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise duty, and Cess, to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2014 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, disputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes with the related authorities are as under :

Nature of Liability	Amount (Rs. in '000)	Period to which matter pertains	Forum at which dispute is pending
Excise Duty	3,244	1996-2000	CEGAT (West Zonal Bench)
	70	1994-2003	CEGAT
	9,941	2001-2007	CEGAT
Central Sales Tax	1,060	2009-2010	DCST
Income Tax	101	1998-1999	ITAT – Mumbai
	3,785	2009-2010	CIT (A) – Mumbai
	13,931	2010-2011	CIT (A) – Mumbai

Bombay Oxygen Corporation Ltd.

- (x) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year. However it had incurred cash losses in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of its dues to banks and financial institutions.
- (xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) According to the information and explanation given to us the Company is not dealing or trading in shares, securities, debentures or other investments.
- (xv) The Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) The Company has not obtained any term loan during the year.
- (xvii) On an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long term investments.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed and according to the information and explanations given and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S G C O & Co.
Chartered Accountants
Firm Reg. No. 112081W

Shyamratan Singrodia
Partner
Membership. No. 49006

Mumbai, 19th May, 2014

Bombay Oxygen Corporation Ltd.

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	₹ '000	As at 31st March, 2014 ₹ '000	₹ '000	As at 31st March, 2013 ₹ '000
EQUITY AND LIABILITIES :					
Shareholders' funds					
Share capital	3	15,000		15,000	
Reserves and surplus	4	1,904,377		1,931,230	
			1,919,377		1,946,230
Non-current liabilities					
Long-term borrowings	5	—		13	
Deferred tax liabilities (net)	6	56,218		56,682	
Long-term provisions	7	6,549		6,896	
			62,767		63,591
Current liabilities					
Trade payables	8	19,998		18,552	
Other current liabilities	9	25,384		30,617	
Short-term provisions	10	2,570		2,824	
			47,952		51,993
TOTAL			2,030,096		2,061,814
ASSETS :					
Non-current assets					
Fixed assets – Tangible	11		378,180		412,821
Non-current investments	12		140,000		140,000
Long-term loans and advances	13		33,970		33,773
Other Non-current assets	14		4,746		4,746
Current assets					
Current investments	15	542,414		382,025	
Inventories	16	28,456		26,843	
Trade receivables	17	50,809		54,852	
Cash and bank balances	18	377,580		11,140	
Short-term loans and advances	19	473,941		995,614	
			1,473,200		1,470,474
TOTAL			2,030,096		2,061,814

Significant Accounting Policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For S G C O & Co.
Chartered Accountants
Firm Registration No. 112081W

SHYAMRATAN SINGRODIA
Partner

Membership No. : 49006
Mumbai, 19th May, 2014.

SHYAM M. RUIA

IBRAHIM A. RAHIMTOOLA

MOHAN BIR SINGH

AJIT M. GHELANI

NIRMAL P. JHUNJHUNWALA

AMAY S. RUIA

Mumbai, 19th May, 2014.

Chairman

Director

Director

Director

Director

Director

Bombay Oxygen Corporation Ltd.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	Year ended 31st March, 2014 ₹ '000	Year ended 31st March, 2013 ₹ '000
INCOME			
Revenue from operations		212,299	319,873
Less: Excise duty		22,573	33,639
Revenue from operations (net)	20	189,726	286,234
Other income	21	54,069	32,192
Total revenue		243,795	318,426
EXPENSES			
Purchases of stock in trade	22a	10,582	2,865
Changes in inventories of finished goods, work in progress and stock in trade	22b	(1,203)	(1,475)
Employee benefits expense	23	31,357	30,268
Depreciation	24	34,601	34,731
Other expenses	25	195,709	340,561
Total expenses		271,046	406,950
Profit/(Loss) before tax		(27,251)	(88,524)
Tax expense :			
Earlier Period Taxation		17	—
Deferred tax credit		(464)	(21,622)
		(447)	(21,622)
Profit/(Loss) for the year		(26,804)	(66,902)
Earnings per share of face value of ₹ 100/- each			
Basic & diluted (in ₹)	26	(178.69)	(446.01)
Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.
For S G C O & Co.
Chartered Accountants
Firm Registration No. 112081W
SHYAMRATAN SINGRODIA
Partner
Membership No. : 49006
Mumbai, 19th May, 2014.

SHYAM M. RUIA
IBRAHIM A. RAHIMTOOLA
MOHAN BIR SINGH
AJIT M. GHELANI
NIRMAL P. JHUNJHUNWALA
AMAY S. RUIA
Mumbai, 19th May, 2014.
Chairman
Director
Director
Director
Director
Director

Bombay Oxygen Corporation Ltd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	₹ '000	₹ '000	₹ '000	₹ '000
A. Cash flow from operating activities :				
Net profit before tax		(27,251)		(88,524)
Adjustments for :				
Depreciation	34,601		34,731	
Interest income	(17,886)		(1,575)	
Dividend on shares	—		(423)	
Dividend from Mutual Funds	(22,259)		(20,454)	
(Profit)/Loss on sale of Investments	(6,433)		35,286	
(Profit)/Loss on sale of assets	(1,113)		(2,219)	
		(13,090)		45,346
Operating profit before working capital changes		(40,341)		(43,178)
Changes in working capital :				
Adjustments for (increase)/decrease in operating assets :				
Trade and other receivables	6,358		15,979	
Inventories	(1,613)		(3,796)	
Adjustments for increase/(decrease) in operating liabilities :				
Trade and other payables	(2,941)		5,122	
		1,804		17,305
Cash generated from operations		(38,537)		(25,873)
Interest paid	(27)		(30)	
Direct taxes paid	(245)		(83)	
		(272)		(113)
Net cash flow from/(used in) operating activities		(38,809)		(25,986)
B. Cash flow from investing activities :				
Purchase of fixed assets	(14)		(37)	
Sale of fixed assets	1,118		2,323	
Dividend on shares	—		423	
Dividend from Mutual Funds	22,259		20,454	
Sale & Purchase of Investments (net)	6,433		(35,286)	
Investments in Mutual Funds & Shares	(160,389)		46,411	
Intercompany Deposit	520,000		—	
Decrease/(Increase) in fixed deposits (net) (Bank fixed deposits having maturity of more than 3 months)	(366,961)		608	
Interest received	17,275		1,579	
Net cash (used in)/from investing activities		39,721		36,475

Bombay Oxygen Corporation Ltd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	₹ '000	₹ '000	₹ '000	₹ '000
C. Cash flow from financing activities :				
Repayment of borrowings	(469)		(1,008)	
Dividend paid	(964)		(3,402)	
Net cash (used in)/from financing activities		<u>(1,433)</u>		<u>(4,410)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(521)</u>		<u>6,079</u>
Cash and cash equivalents – Opening balance		8,631		2,552
Cash and cash equivalents – Closing balance		8,110		8,631

As per our report of even date.

For S G C O & Co.

Chartered Accountants

Firm Registration No. 112081W

SHYAMRATAN SINGRODIA

Partner

Membership No. : 49006

Mumbai, 19th May, 2014.

SHYAM M. RUIA

Chairman

IBRAHIM A. RAHIMTOOLA

Director

MOHAN BIR SINGH

Director

AJIT M. GHELANI

Director

NIRMAL P. JHUNJHUNWALA

Director

AMAY S. RUIA

Director

Mumbai, 19th May, 2014.

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

1 CORPORATE INFORMATION :

Bombay Oxygen Corporation Limited is a Public Limited Company incorporated on 3rd October, 1960 and listed on Bombay Stock Exchange Ltd.

The Company is one of the leading manufacturers and suppliers of Industrial gases like oxygen, nitrogen, argon and medical oxygen, both in liquid and gaseous form in tankers and cylinders to the public and the private sector, as well as through pipelines by installing and running onsite plants for high volume customers.

2 SIGNIFICANT ACCOUNTING POLICIES :

(a) Basis of accounting and preparation of financial statements

The accounts are prepared on a historical cost convention except as stated otherwise. The Company follows an accrual basis of accounting. The financial statements are prepared in accordance with accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and the other relevant provisions of the Companies Act, 1956.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities, at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Inventories

Finished goods produced or purchased are valued at lower of cost and net realisable value. Stores and Spare Parts are valued at landed cost determined on first-in-first-out (FIFO) basis. Plant components are valued at cost.

(d) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

(e) Depreciation on fixed assets and amortisation

Depreciation on fixed assets, excluding cylinders, is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

Cylinders acquired prior to 31st March, 1989 and revalued are depreciated over a useful life of 18 years and cylinders acquired subsequent to 31st March, 1989 are depreciated on Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

Leasehold land at Pune, Tarapur and Nagpur acquired from MIDC are not amortised over the period of lease.

(f) Revenue recognition

Sales comprise, invoiced value of goods sold and services rendered, and are net of value added tax, central sales tax, trade discount, returns and rebates.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when right to receive payment is established.

(g) Fixed assets

Fixed Assets are stated at cost or revaluation less accumulated depreciation.

(h) Foreign currency transactions

Foreign currency transactions are accounted at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the Statement of Profit and Loss. Premium or discount in respect of forward contracts is accounted over the period of the contract.

(i) Investments

Long-term investments are stated at cost, except where there is a diminution in value, other than temporary, in which case the carrying value is reduced to recognise the decline, by a charge to the Statement of Profit and Loss. Current investments are stated at lower of cost and fair value.

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

(j) Employee benefits

Company's contribution to Provident Fund is charged to Statement of Profit and Loss on accrual basis.

Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of an actuarial valuation, using the projected unit credit method, ascertained at the year end.

The liability in respect of future payments of leave encashment is provided on the basis of an actuarial valuation ascertained at the year end.

(k) Borrowing costs

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

(l) Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted average number of equity shares outstanding during the year.

(m) Taxes on income

Current tax is determined on the profit for the year in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent there is virtual certainty that the assets can be realized in the future. Deferred tax assets are reviewed as at each Balance Sheet date.

(n) Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction in the carrying amount is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

(o) Provisions, Contingent Liabilities & 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 recognised as a liability but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ '000	Number of Shares	₹ '000
3. SHARE CAPITAL				
Authorised				
Equity shares of ₹ 100 each	150,000	15,000	150,000	15,000
Shares (Unclassified) of ₹ 100 each	150,000	15,000	150,000	15,000
		30,000		30,000

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ '000	Number of Shares	₹ '000
3. SHARE CAPITAL (Contd.)				
Issued, Subscribed and fully paid-up				
Equity shares of ₹100 each	150,000	15,000	150,000	15,000
		<u>15,000</u>		<u>15,000</u>

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ '000	Number of Shares	₹ '000
Equity shares :				
At the beginning of the year	150,000	15,000	150,000	15,000
Add: Shares allotted as fully paid-up during the year	—	—	—	—
Less: Shares bought back during the year	—	—	—	—
Outstanding at the end of the year	<u>150,000</u>	<u>15,000</u>	<u>150,000</u>	<u>15,000</u>

- (ii) Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The 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 equity shares will be entitled to receive the remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (iii) Details of shares held by each shareholder holding more than 5% shares :

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	% holding	Number of Shares	% holding
Equity shares of ₹ 100 each fully paid-up				
M. Ramnarain Pvt. Ltd.	24,095	16.06	24,095	16.06
The Reliance Investment Co. Pvt. Ltd.	21,140	14.09	21,140	14.09
Shyam Madanmohan Ruia	11,205	7.47	11,205	7.47
Shamun Pvt. Ltd.	9,525	6.35	9,525	6.35
Uma Maharajsinh Mehta	7,835	5.22	7,835	5.22

Messer Griesheim GmbH ("Messer") had acquired 75001 shares, which have not been transferred on account of the various orders of the Courts to that effect. The shares still continue to stand in the name of the original shareholders. Subsequently the right, title and interest in these 75001 shares is sold to the promoters by "Messer".

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014		As at 31st March, 2013	
	₹ '000	₹ '000	₹ '000	₹ '000
4. RESERVES AND SURPLUS				
Capital reserve		94		94
Revaluation reserve				
Balance as per the last financial statements	531		654	
<i>Less:</i>				
Transferred to Statement of Profit and Loss	24		24	
Transferred to Statement of Profit and Loss on sale of Revalued Asset	25		99	
	<u> </u>	482	<u> </u>	531
General reserve				
Balance as per the last financial statements	1,930,605		1,998,384	
<i>Add/(Less) :</i>				
Transferred from/(to) Statement of Profit and Loss	(26,804)		(67,779)	
	<u> </u>	1,903,801	<u> </u>	1,930,605
Balance in the Statement of Profit and Loss				
Balance as per the last financial statements	—		—	
<i>Add:</i> Transferred from General reserve	26,804		67,779	
Profit/(Loss) for the year	(26,804)		(66,902)	
<i>Less:</i> Appropriations				
Proposed Dividend	—		750	
Tax on Proposed Dividend	—		127	
Transfer to General Reserve	—		—	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		1,904,377		1,931,230

	Non-current Liabilities		Current Liabilities	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
	₹ '000	₹ '000	₹ '000	₹ '000
5. LONG-TERM BORROWINGS				
Unsecured				
Sales Tax deferral loan	—	13	13	469
<i>Less:</i>				
Amount disclosed under the head "Other Current Liabilities"	—	—	13	469
Net Amount	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		13	—	—

Deferment of sales tax liability (collected) is for ten years, under Part-I of the 1988 Package Scheme of Incentives of Government of Maharashtra for the period 01.10.1994 to 31.03.1999, the repayment of which is made in five equal annual instalments, after 10 years from the year end of deferred sales tax.

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
	₹ '000	₹ '000
6. DEFERRED TAX LIABILITY (NET)		
Difference between net book value of depreciable capital assets as per books vis-à-vis written down value as per Income tax	71,327	78,940
Less: Deferred tax asset		
Provision for employee benefits	(2,798)	70
Unabsorbed depreciation and business losses	17,907	22,188
	<u>56,218</u>	<u>56,682</u>
7. LONG-TERM PROVISIONS		
Provision for employee benefits (Refer Note 30)	6,549	6,896
	<u>6,549</u>	<u>6,896</u>
8. TRADE PAYABLES		
Trade payables	19,998	18,552
	<u>19,998</u>	<u>18,552</u>
Dues to the Micro, Small & Medium Enterprises – Nil (Previous year – Nil).		
9. OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (Refer Note 5)	13	469
Unpaid dividends	918	1,005
Unpaid matured deposits and interest accrued thereon	197	505
Other payables :		
Statutory remittances	1,986	2,730
Advances from customers	1,642	2,844
Interest free deposits from customers	20,628	23,064
	<u>24,256</u>	<u>28,638</u>
	<u>25,384</u>	<u>30,617</u>
10. SHORT-TERM PROVISIONS		
Provision for employee benefits (Refer Note 30)	2,570	1,947
Provisions – Others :		
Proposed equity dividend	—	750
Tax on proposed dividend	—	127
	<u>—</u>	<u>877</u>
	<u>2,570</u>	<u>2,824</u>

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

11. FIXED ASSETS :

₹ '000

Tangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2013	Additions	Deductions	As at 31.03.2014	As at 01.04.2013	For the year	On deductions/ adjustments	As at 31.03.2014	As at 31.03.2014
Leasehold Land	461 (461)	— (—)	— (—)	461 (461)	— (—)	— (—)	— (—)	— (—)	461 (461)
Leasehold Depot	— (104)	— (—)	— (104)	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
Buildings*	134,919 (134,919)	— (—)	— (—)	134,919 (134,919)	31,994 (27,498)	4,492 (4,496)	— (—)	36,486 (31,994)	98,433 (102,925)
Plant and Machinery	515,593 (519,871)	— (—)	711 (4,278)	514,882 (515,593)	279,849 (259,596)	24,399 (24,432)	686 (4,179)	303,562 (279,849)	211,320 (235,744)
Transport Tanks	107,054 (107,054)	— (—)	— (—)	107,054 (107,054)	39,961 (35,130)	4,808 (4,831)	— (—)	44,769 (39,961)	62,285 (67,093)
Furniture & Fixtures	2,072 (2,072)	— (—)	— (—)	2,072 (2,072)	701 (573)	128 (128)	— (—)	829 (701)	1,243 (1,371)
Office Equipment	4,463 (4,426)	14 (37)	23 (—)	4,454 (4,463)	1,951 (1,636)	286 (315)	18 (—)	2,219 (1,951)	2,235 (2,512)
Vehicles	7,479 (7,479)	— (—)	— (—)	7,479 (7,479)	4,764 (4,211)	512 (553)	— (—)	5,276 (4,764)	2,203 (2,715)
	772,041	14	734	771,321	359,220	34,625	704	393,141	378,180
	(776,386)	(37)	(4,382)	(772,041)	(328,644)	(34,755)	(4,179)	(359,220)	(412,821)

Figures in bracket are for previous year.

* Includes ₹ 250/- (Previous year – ₹ 250/-) being the cost of shares in a Co-operative Housing Society Limited at Thane.

As at 31st March, 2014

As at 31st March, 2013

Nos.

₹ '000

Nos.

₹ '000

12. NON-CURRENT INVESTMENTS

Non-Trade Investments :

(valued at cost unless stated otherwise) :

Investment in Mutual Funds – Unquoted (Units of ₹10/- each) :

J M Core 11 Fund – Growth Option*

(formerly known as J M Core 11 Fund – Growth Plan)

14,000,000	140,000	14,000,000	140,000
	<u>140,000</u>		<u>140,000</u>

As at 31st March, 2014

As at 31st March, 2013

Book Value

Market Value

Book Value

Market Value

₹ '000

₹ '000

₹ '000

₹ '000

Aggregate of Quoted Investments

Aggregate of Unquoted Investments

—	—	—	—
<u>140,000</u>		<u>140,000</u>	
<u>140,000</u>		<u>140,000</u>	

* "Investments" are recorded and carried at their original cost. In so far as it relates to investments in Mutual Fund under their Core Investments scheme, the Company has been advised by experts in the relevant field that the lower net assets value (NAV) as on 31st March, 2013 do not represent a "permanent diminution" in their value. Further there is an increase in the net asset value of the investments during the current financial year. Based thereon, the management is of the view that no provision in respect of such diminution is required to be made under AS-13. Hence the investments are reflected at their cost.

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014 ₹ '000	As at 31st March, 2013 ₹ '000
13. LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security deposits	2,338	2,421
Prepaid expenses	209	157
Advance income tax (net of provision)	31,423	31,195
	33,970	33,773
14. OTHER NON-CURRENT ASSETS		
Long-term trade receivables	4,746	4,746
(Unsecured, considered good)		
	4,746	4,746

Tata SSL Limited had unilaterally suspended taking supply of gases from the Company's Tarapur plant from October, 2000. The outstanding dues continues at ₹ 4,746(000) (excluding interest), and the Company is hopeful of receiving the dues, for which it has taken necessary legal action in a court of law, and also made a claim for non-lifting of minimum 50,000 cu.ms. of oxygen gas per month from 01.11.2000 as per Agreement with them till its validity.

	As at 31st March, 2014		As at 31st March, 2013	
	Nos.	₹ '000	Nos.	₹ '000
15. CURRENT INVESTMENTS				
(At lower of cost and fair value, unless otherwise stated)				
Investment in Mutual Funds – Unquoted (Units of ₹ 10 each, unless otherwise specified)				
1. Axis Banking Debt Fund – Monthly Dividend Reinvestment	85,192.857	85,522	—	—
2. Axis Treasury Advantage Fund – Daily Dividend Reinvestment (Units of Rs. 1000 each)	—	—	80,623.131	80,702
3. Birla Sun Life Short Term Fund Monthly Dividend Regular Plan – Reinvestment	—	—	1,225,393.572	14,305
4. Birla Sun Life Savings Fund – Reg – Daily Dividend – Reinvestment	1,212,183.671	121,578	—	—
5. DSP BlackRock Strategic Bond Fund – Institutional Plan – Daily Dividend – Reinvest (Units of ₹ 1000 each)	—	—	41,233.769	41,439
6. DSP BlackRock Strategic Bond Fund – Institutional Plan – Weekly Dividend – Reinvest (Units of ₹ 1000 each)	—	—	22,128.910	22,229
7. HDFC Cash Management Fund – Savings Plan – Daily Dividend Reinvestment Option – Reinvest	—	—	365,299.808	3,885

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014		As at 31st March, 2013	
	Nos.	₹ '000	Nos.	₹ '000
8. HDFC High Interest Fund – Short Term Plan – Dividend	—	—	9,463,929.193	100,314
9. ICICI Prudential Short Term – Regular Plan – Dividend Reinvestment – Fortnightly	—	—	489,383.273	5,865
10. ICICI Prudential Flexible Income Plan – Reg – Daily Dividend – Reinvestment	1,280,571.053	135,402	—	—
11. ICICI Prudential Gilt Fund Treasury – Regular Plan – Growth	—	—	2,412,926.353	71,180
12. Reliance Floating Rate Fund – Short Term Plan – Growth	1,759,726.680	35,185	—	—
13. Reliance Quarterly Interval Fund – Series II – Growth	3,095,616.278	53,446	—	—
14. Reliance Short Term Fund – Quarterly Dividend Plan Dividend Reinvestment	—	—	738,621.737	10,098
15. Tata Floater Fund – Plan A – Daily Dividend	50,300.830	50,478	—	—
16. Templeton India Treasury Management Account Institutional Plan – Daily Dividend (Units of ₹ 1000 each)	—	—	31,986.154	32,008
17. Templeton India Ultra Short Bond Fund – Super IP – Daily Dividend – Reinvestment	6,057,684.136	60,803	—	—
		542,414		382,025
		As at 31st March, 2014		As at 31st March, 2013
		₹ '000		₹ '000
16. INVENTORIES				
(At lower of cost and net realisable value)				
Plant components		11,362		11,403
Finished goods [includes stock-in-transit — Nil (Previous Year – ₹67(000))]		8,287		7,043
Stores and spares [includes stock-in-transit — Nil (Previous Year – ₹18(000))]		8,807		8,397
		28,456		26,843
17. TRADE RECEIVABLES				
(Unsecured, considered good)				
Outstanding for a period exceeding six months from the date they were due for payment		5,641		5,694
Others		45,168		49,158
		50,809		54,852

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014		As at 31st March, 2013	
	₹ '000	₹ '000	₹ '000	₹ '000
18. CASH AND BANK BALANCES				
Cash and cash equivalents :				
Cash on hand	79		245	
Cheques, drafts on hand	13		504	
Balances with banks				
(i) In current accounts	7,085		6,858	
(ii) In earmarked accounts				
– Unpaid dividend accounts	918		1,005	
– Unpaid interest on deposits	15		19	
		8,110		8,631
Other bank balances :				
(i) In deposit accounts with original maturity of 12 months	366,927		90	
(ii) Margin money deposits	2,543		2,419	
		369,470		2,509
		<u>377,580</u>		<u>11,140</u>
19. SHORT-TERM LOANS AND ADVANCES				
(Unsecured, considered good)				
Advances to employees	6		15	
Prepaid expenses	1,882		3,087	
Balances with government authorities	197		728	
Inter-corporate deposits*	470,000		990,000	
Advances recoverable in cash or in kind	1,856		1,784	
		473,941		995,614

* The Company was to receive ₹1,061,700(000) inclusive of interest from Housing Development and Infrastructure Limited by 30.12.2012 as per the arbitration award, out of which the Company had received ₹10,000(000). On non-fulfillment of the award, the Company has filed a winding up petition before the Hon. Bombay High Court for the recovery of the balance amount together with further interest thereon. Since then, the Company has received ₹650,000(000) and confident of receiving the balance amount.

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	₹ '000	₹ '000	₹ '000	₹ '000
20. REVENUE FROM OPERATIONS :				
Sale of products		198,740		295,693
Other operating revenues		13,559		24,180
		212,299		319,873
Less: Excise duty		22,573		33,639
		189,726		286,234
Sale of products comprises :				
Manufactured goods :				
Industrial Gases		162,277		258,199
Traded goods :				
Industrial Gases		13,890		3,855
Total – Sale of products		176,167		262,054
Other operating revenues :				
Transport & Octroi	9,208		19,182	
Others	4,351		4,998	
		13,559		24,180
Revenue from operations (net)		189,726		286,234
21. OTHER INCOME :				
Interest :				
on Deposits with Bank/Others		17,187	340	
on Overdue Debts		699	1,235	
		17,886		1,575
Dividend income :				
from current investments		22,259	20,454	
from long-term investments		—	423	
		22,259		20,877

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	₹ '000	₹ '000	₹ '000	₹ '000
21. OTHER INCOME : (Contd.)				
Net gain on sale of current investments		6,433		3,885
Other non-operating income :				
Profit on sale of Assets	1,113		2,219	
Liabilities no longer required written back	2,000		3,513	
Miscellaneous Income*	4,378		123	
		<u>7,491</u>		<u>5,855</u>
		<u>54,069</u>		<u>32,192</u>
* It includes ₹ 4,340(000) received towards loss of profit of earlier years.				
22a. PURCHASE OF TRADED GOODS :				
Industrial Gases		10,582		2,865
		<u>10,582</u>		<u>2,865</u>
22b. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS :				
Inventories at the end of the year :				
Finished goods		8,287		7,043
Plant components		11,362		11,403
		<u>19,649</u>		<u>18,446</u>
Inventories at the beginning of the year :				
Finished goods		7,043		5,555
Plant components		11,403		11,416
		<u>18,446</u>		<u>16,971</u>
Net (increase) / decrease		(1,203)		(1,475)
23. EMPLOYEE BENEFITS EXPENSE :				
Salaries, wages and bonus		25,067		26,614
Contributions to provident and other funds		2,922		2,814
Gratuity (refer note 30)		2,355		69
Staff welfare expenses		1,013		771
		<u>31,357</u>		<u>30,268</u>

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	₹ '000	₹ '000	₹ '000	₹ '000
24. DEPRECIATION :				
Depreciation for the year on tangible assets as per Note 11		34,625		34,755
Less: Recouped from Revaluation Reserve		24		24
		34,601		34,731
25. OTHER EXPENSES :				
Consumption of stores and spare parts		1,142		1,594
Power		154,594		242,684
Rent		2,113		2,143
Repairs and maintenance :				
Buildings	103		66	
Machinery	1,342		792	
Others	116		144	
		1,561		1,002
Insurance		1,288		1,309
Rates and taxes		4,417		3,995
Carriage Outward and Transportation		12,570		21,175
Communications cost		580		682
Travelling, conveyance and car		1,885		2,252
Printing and stationery		525		616
Legal and professional		8,719		17,278
Security Services		2,119		1,745
Payments to auditors :				
Audit Fees	337		337	
Tax Audit Fees	84		84	
Other Services	222		253	
		643		674
Bad Debts written off		1		58
Net loss on sale of long-term investments		—		39,171
Miscellaneous expenses		3,395		4,028
Director's sitting fees		157		155
		195,709		340,561

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

26. EARNINGS PER SHARE AS PER ACCOUNTING STANDARD - 20 (AS-20) IS AS UNDER :

		Year ended 31st March, 2014	Year ended 31st March, 2013
Profit/(Loss) after tax	₹ '000	(26,804)	(66,902)
Weighted average number of Equity Shares for Basic & Diluted EPS	Nos.	150,000	150,000
Nominal value per Equity Share	₹	100	100
Earnings per Share (Basic & Diluted)	₹	(178.69)	(446.01)

27. CONTINGENT LIABILITIES NOT PROVIDED FOR :

- Claim against the Company not acknowledged as debts – Nil [Previous year – ₹518 (000)].
- Disputed liability towards excise ₹13,255(000) [Previous year – ₹21,194(000)] in respect of various units.
- Disputed liability in respect of Income tax ₹17,817(000) [Previous year – ₹3,886 (000)].
- Disputed liability in respect of Central Sales tax ₹1,060(000) [Previous year – Nil].
- Bills discounted ₹32,567(000) [Previous year – ₹16,328(000)].

28. VALUE OF IMPORTED AND INDIGENOUS COMPONENTS AND SPARE PARTS CONSUMED :

	Year ended 31st March, 2014		Year ended 31st March, 2013	
	% of total consumption	₹ '000	% of total consumption	₹ '000
Components and Spare Parts				
Imported	—	0	89	1,421
Indigenous	100	1,142	11	173
	100	1,142	100	1,594

	Year ended 31st March, 2014	Year ended 31st March, 2013
	₹ '000	₹ '000
29. CIF VALUE OF IMPORTS :		
Stores & Spares	—	1,778

30. EMPLOYEE BENEFITS :

The disclosures as required as per the Revised Accounting Standard –15 (AS-15) are as under :

- Charge to the Statement of Profit and Loss based on contributions :

	31st March, 2014	31st March, 2013
	₹ '000	₹ '000
Gratuity	2,355	69
Leave Encashment	208	399

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

30. EMPLOYEE BENEFITS : (Contd.)

(b) Defined benefit plans based on actuarial reports as on 31st March, 2014

	As on 31st March, 2014		As on 31st March, 2013	
	Gratuity (Funded)	Leave Encashment (Non Funded)	Gratuity (Funded)	Leave Encashment (Non Funded)
	₹ '000	₹ '000	₹ '000	₹ '000
1. Change in Defined Benefit Obligation				
Opening defined benefit obligation	14,526	2,762	14,884	2,546
Current Service Cost	803	538	591	610
Interest Cost	1,162	221	1,191	204
Actuarial loss/(gain)	1,176	(551)	(956)	(415)
Benefits paid	(2,096)	(368)	(1,184)	(183)
Closing defined benefit obligation	15,571	2,602	14,526	2,762
2. Change in Fair Value of Assets				
Opening fair value of plan assets	8,445	Nil	8,598	Nil
Expected return on plan assets	786	Nil	757	Nil
Actuarial gain/(loss)	Nil	Nil	Nil	Nil
Contributed by employer	1,919	Nil	274	Nil
Benefits paid	(2,096)	Nil	(1,184)	Nil
Closing fair value of plan assets	9,054	Nil	8,445	Nil
3. Amount recognised in the Balance Sheet				
Present value of obligations as at year end	15,571	2,602	14,526	2,762
Fair value of plan assets as at year end	(9,054)	Nil	(8,445)	Nil
Net (asset)/liability recognised as at year end	6,517	2,602	6,081	2,762
4. Expenses recognised in the Statement of Profit and Loss				
Current service cost	803	538	591	610
Interest Cost	1,162	221	1,191	204
Expected return on plan assets	(786)	Nil	(757)	Nil
Net actuarial loss/(gain)	1,176	(551)	(956)	(415)
Total expenses	2,355	208	69	399

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

30. EMPLOYEE BENEFITS : (Contd.)

(b) Defined benefit plans based on actuarial reports as on 31st March, 2014

	As on 31st March, 2014		As on 31st March, 2013	
	Gratuity (Funded)	Leave Encashment (Non Funded)	Gratuity (Funded)	Leave Encashment (Non Funded)
	₹ '000	₹ '000	₹ '000	₹ '000
5. Principal actuarial assumptions used				
Discount rate (p.a.)	8.00%	8.00%	8.00%	8.00%
Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	L.I.C. (1994-96) Ultimate	L.I.C. (1994-96) Ultimate
Turnover Rate (p.a.)	1%	1%	1% - 3%	1%
Future Salary Increase (p.a.)	4%	5%	4%	5%

31. SEGMENT REPORTING AS PER ACCOUNTING STANDARD - 17 (AS-17) :

(a) The Company has two primary business segments viz :

- (i) Industrial Gases and
- (ii) Plant Manufacturing Division

(b) The Company operates within the geographical limits of India, accordingly secondary segments have not been considered.

	Year ended 31st March, 2014	Year ended 31st March, 2013
	₹ '000	₹ '000
Segment Revenue		
Industrial Gases	189,726	286,234
Plant Manufacturing Division	—	—
Total	189,726	286,234
Less: Inter segment revenue	—	—
Total Segment Revenue	189,726	286,234
Segment Results		
Industrial Gases	(81,320)	(120,716)
Plant Manufacturing Division	—	—
Operating Income	(81,320)	(120,716)
Less: Unallocable expense	—	—
Add: Other Income	54,069	32,192
Profit/(Loss) before tax	(27,251)	(88,524)
Less : Tax expense	(447)	(21,622)
Profit/(Loss) for the year	(26,804)	(66,902)

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2014

	Year ended 31st March, 2014	Year ended 31st March, 2013
	₹ '000	₹ '000
Segment Assets		
Industrial Gases	467,233	506,975
Plant Manufacturing Division	11,362	11,403
Unallocated	1,551,501	1,543,436
Total Assets	2,030,096	2,061,814
Segment Liabilities		
Industrial Gases	53,868	55,046
Plant Manufacturing Division	—	2,000
Unallocated	57,333	59,069
Total Liabilities	111,201	116,115
Capital expenditure (allocable)	14	37
Depreciation	34,601	34,731
Non-cash expenses other than depreciation	—	—

32. Previous year's figures have been regrouped / reclassified, wherever necessary.

As per our report of even date.
For S G C O & Co.
Chartered Accountants
Firm Registration No. 112081W
SHYAMRATAN SINGRODIA
Partner
Membership No. : 49006
Mumbai, 19th May, 2014.

Signatures to Notes 1 to 32

SHYAM M. RUIA	<i>Chairman</i>
IBRAHIM A. RAHIMTOOLA	<i>Director</i>
MOHAN BIR SINGH	<i>Director</i>
AJIT M. GHELANI	<i>Director</i>
NIRMAL P. JHUNJHUNWALA	<i>Director</i>
AMAY S. RUIA	<i>Director</i>

Mumbai, 19th May, 2014.

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Bombay Oxygen Corporation Ltd.

CIN L74999MH1960PLC011835

Registered Office: 22/B, Mittal Tower, 210, Nariman Point, Mumbai – 400 021.

**Members
Feedback
Form
2013-2014**

Name : e-mail id

Address :

.....

.....

Folio No. :

No. of equity shares held :

Signature of member

		Excellent	Very Good	Good	Satisfactory	Unsatisfactory
Directors Report and Management's Discussion and Analysis	Contents					
	Presentation					
Report on Corporate Governance	Contents					
	Presentation					
INVESTOR SERVICES						
Turnaround time for response to						
Quality of response						
Timely receipt of Annual Report						
Conduct of Annual General Meeting						
Timely receipt of dividend warrants						
Overall rating						

Views/Suggestions for improvement, if any

.....

.....

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Bombay Oxygen Corporation Ltd.

CIN L74999MH1960PLC011835

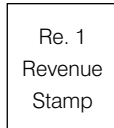
Registered Office: 22/B, Mittal Tower, 210, Nariman Point, Mumbai – 400 021.

PROXY FORM

I/We of.....
in the district ofbeing a member/members of the above named Company
hereby appoint
of in the district of
or failing him of.....
in the district of

as my/our proxy to vote for me/us on my/our behalf at the FIFTY-THIRD ANNUAL GENERAL MEETING of the Company to be held on Monday, the 28th July, 2014 at 11.00 a.m. and at any adjournment thereof.

Signed this day of 2014.



Signature across Revenue Stamp

Tear Here

Bombay Oxygen Corporation Ltd.

CIN L74999MH1960PLC011835

Registered Office: 22/B, Mittal Tower, 210, Nariman Point, Mumbai – 400 021.

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full Name of the member attending : _____
Full Name of the first joint-holder : _____
(To be filled in if the first named joint-holder does not attend the meeting).
Name of Proxy : _____
(To be filled in if Proxy Form has been duly deposited with the Company).

I hereby record my presence at the FIFTY-THIRD ANNUAL GENERAL MEETING of the Company held at Walchand Hirachand Hall, Lalji Naranji Memorial, Indian Merchants' Chamber Building, 76, Veer Nariman Road, Churchgate, Mumbai-400 020 at 11.00 a.m. on Monday, 28th July, 2014.

Register Folio No. _____
Member's/Proxy's Signature (To be signed at the time of handing over this slip).

No. of Shares held _____

Note: Persons attending the Annual General Meeting are requested to bring their copies of Annual Reports as the practice of distribution of copies of the Report at the meeting has been discounted.

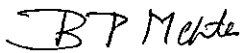
FORM A
Un-Qualified/Matter of Emphasis

1.	Name of the Company	Bombay Oxygen Corporation Limited
2.	Annual financial statements for the year ended.	31 st March, 2014
3.	Type of Audit observation	Un-qualified Opinion
4.	Frequency of observation	--

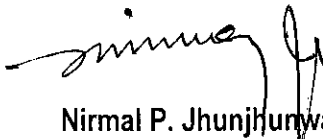
For **Bombay Oxygen Corporation Limited**



Ajit M. Ghelani, Director
CEO/Managing Director/Director



B. P. Mehta
CFO/G. M. (Finance & Accounts)

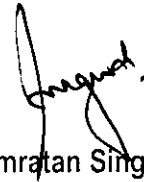


MD & MKE	
CEO	PLACE
REGAL	

Nirmal P. Jhunjhunwala, Director
Audit Committee Chairman

Mumbai, 24th June, 2014

For **S G C O & Co.**
Chartered Accountants
Registration No. 112081W

Shyamratan Singrodia
Partner

Membership No. 49006

Mumbai, 24th June, 2014