

Bombay Oxygen Corporation Ltd.



Annual Report & Accounts - 2012-2013

Bombay Oxygen Corporation Ltd.

DIRECTORS :

MR. SHYAM M. RUIA, **Chairman**
MR. IBRAHIM A. RAHIMTOOLA
MR. MOHAN BIR SINGH
MR. AJIT M. GHELANI
MR. NIRMAL P. JHUNJHUNWALA
MR. AMAY S. RUIA

AUDITORS :

K. G. SHAH & CO.

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 52nd ANNUAL GENERAL MEETING of BOMBAY OXYGEN CORPORATION LIMITED 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 29th July, 2013 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, 2013, and the Balance Sheet as on that date together with the Report of Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Ibrahim A. Rahimtoola, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Nirmal P. Jhunjhunwala, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s Singrodia Goyal & Co., Chartered Accountants, Registration No.112081W be and are hereby appointed as Auditors of the Company, in place of the retiring Auditors, M/s. K. G. Shah & Co., Chartered Accountants, having Registration No.109630W, who have given to the Company, a notice in writing of their unwillingness to be re-appointed and that M/s Singrodia Goyal & Co., Chartered Accountants, Registration No.112081W shall hold office as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and that the Board of Directors of the Company be and is hereby authorized to fix the remuneration of the Auditors."

Registered Office :

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

By Order of the Board of Directors,

NIRMAL P. JHUNJHUNWALA
Director

Mumbai, 7th June, 2013.

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. The Dividend, if sanctioned, will be made payable at HDFC Bank Limited, Fort, Mumbai - 400 023 or at any of its specified branches in India on or after 2nd August, 2013 to those members whose names stand on the Register of Members of the Company as on 29th July, 2013.
3. The Share Transfer Books of the Company will remain closed from Tuesday, the 23rd July, 2013 to Monday, the 29th July, 2013 (both days inclusive).
4. 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.
5. Pursuant to provisions of Section 205A(5) and 205C of the Companies Act 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years up to 2004-05 to the General Revenue Account/Investors Education and Protection Funds of the Central Government. Those shareholders who have not still encashed their 40th to 46th 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.

Registered Office :

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

By Order of the Board of Directors,

NIRMAL P. JHUNJHUNWALA
Director

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

DIRECTORS' REPORT

Your Directors have pleasure in submitting this 52nd ANNUAL REPORT together with the Audited Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS :

	For the year ended 31st March, 2013 (₹ in '000)	For the year ended 31st March, 2012 (₹ in '000)
Profit/(Loss) before depreciation and tax	(53,793)	42,694
Provision for depreciation	34,731	35,299
Profit/(Loss) before tax	(88,524)	7,395
Deferred tax credit	(21,622)	(3,751)
Profit/(Loss) for the year	(66,902)	11,146

Appropriations :

Transferred from General Reserve	67,779	—
Proposed Dividend	750	3,000
Tax on Dividend	127	486
Transferred to General Reserve	—	7,660
	(66,902)	11,146

PERFORMANCE :

The 130 TPD tonnage plant at Kalwe whilst running satisfactorily, could not be utilized to its full capacity, due to less demand in the market for liquid gases. Therefore, the sales suffered. Plants at other locations are working satisfactorily. During the year under review, sales were ₹ 28,62,33,718/- as against ₹ 36,66,28,074/- for the previous year. Loss before Depreciation and Tax during the year is ₹ 5,37,91,633/- as against profit of ₹ 4,26,93,237/- in the previous year.

DIVIDEND :

Your Directors recommend the payment of dividend of ₹ 5 /- (Previous year ₹ 20/-) per equity share. The proposed dividend, if approved, at the Annual General Meeting, will absorb ₹ 8,77,463/- including Tax on dividend [Previous year ₹ 34,86,675/-].

DIRECTORS :

Your Directors Mr. Ibrahim A. Rahimtoola and Mr. Nirmal P. Jhunjhunwala, 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 :

34 Deposits amounting to ₹ 4,45,000/- due for repayment on or before 31st March, 2013 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 K. G. Shah & 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 :

Large-scale capacity additions are planned by some gas companies. However, the implementation is being delayed due to the slow down in the economy thereby causing less demand by gas consumers. When their new capacities are commissioned, it will put further pressure on margins, as there is already surplus production in the market.

(ii) Opportunities, Threats, Risks and Concerns :

Due to the continued recessionary conditions, the growth of the gas industry is adversely affected. The Steel industry being the main gas consuming sector is not showing any improvement in its demand nor is the demand rising from other industries like Chemical, Pharmaceutical, Glass, etc. On top of this the high cost of power is a major concern for 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 for supply to end users.

(iv) Outlook :

With the national economy in an unpredictable position, it is difficult to forecast the requirement of gases. The company is continuing its efforts to explore new markets such as refineries, fertilizers, pharmaceuticals, glass, food processing and the chemical industry. The Company is also augmenting its presence in the health care segment, 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, 2013 (₹ in '000)	For the year ended 31st March, 2012 (₹ in '000)
Sales	2,86,234	3,66,628
Other Income	(6,979)	30,263
Profit/(Loss) before depreciation	(53,793)	42,694
Depreciation	34,731	35,299
Taxes	(21,622)	(3,751)
Profit/(Loss) after depreciation and taxes	(66,902)	11,146

Bombay Oxygen Corporation Ltd.

- (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 healthy.
- (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. K. G. Shah & Co., Chartered Accountants, having Registration No.109630W, Statutory Auditors whose term of office as the Auditors of the Company will expire at the conclusion of the ensuing Annual General Meeting of the Company, have given to the Company, a notice in writing of their unwillingness to be re-appointed.

Accordingly, M/s Singrodia Goyal & Co., Chartered Accountants, Registration No.112081W, who have given their letter to the Company certifying that their proposed appointment as Auditors would be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956, are proposed to be appointed as the Auditors of the Company.

AUDITORS REPORT :

As regards the qualified opinion in the Auditor's Report pertaining to purported non-provision for diminution in the value of investment, your Directors invite your attention to the Explanatory Note No.12 to the Financial Statements wherein your Company's position has been fully explained. In view of the same, the qualification by the Auditors is unwarranted/misconceived.

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

S. M. RUIA
Chairman

Mumbai, 7th June, 2013.

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, 2013.

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	1778

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REPORT ON CORPORATE GOVERNANCE

1. Company Philosophy on Corporate Governance :

The Company strongly believes in and endeavors 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, 2013, Five Board meetings were held on 26.04.2012, 19.07.2012, 29.08.2012, 05.11.2012 and 11.02.2013. 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 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	5	Yes	3	Nil	Nil
Mr. Ibrahim A. Rahimtoola	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
Mr. Mohan Bir Singh	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
Mr. Ajit M. Ghelani	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
Mr. Nirmal P. Jhunjunwala	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
Mr. Amay S. Ruia	Non-Executive Non-Independent	5	Yes	2	Nil	Nil

3. Audit Committee :

- Constitution, Composition and Terms of Reference :

The Audit Committee comprises as under :

- Mr. Nirmal P. Jhunjunwala – Non-Executive, Independent Chairman
- Mr. Ibrahim A. Rahimtoola – Non-Executive, Independent Member
- Mr. Ajit M. Ghelani – Non-Executive, Independent Member
- 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, 2013, Four Audit Committee Meetings were held on 26.04.2012, 19.07.2012, 05.11.2012 and 11.02.2013. The attendance of each Member at Audit Committee Meetings are as under :

	26.04.2012	19.07.2012	05.11.2012	11.02.2013
Mr. Nirmal P. Jhunjhunwala	Present	Present	Present	Present
Mr. Ibrahim A. Rahimtoola	Present	Present	Present	Present
Mr. Ajit M. Ghelani	Present	Present	Present	Present
Mr. Amay S. Ruia	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, 2013, Four Shareholders'/Investors' Grievance Committee meetings were held on 26.04.2012, 19.07.2012, 05.11.2012 and 11.02.2013. The attendance of each Member at Shareholders'/Investors' Grievance Committee are as under :

	26.04.2012	19.07.2012	05.11.2012	11.02.2013
Mr. Mohan Bir Singh	Present	Present	Present	Present
Mr. Ibrahim A. Rahimtoola	Present	Present	Present	Present
Mr. Nirmal P. Jhunjhunwala	Present	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, 2013, 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(ix).

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
49th	2009-10	Walchand Hirachand Hall, Indian Merchant Chamber Building, 76, Veer Nariman Road, Churchgate, Mumbai - 400 020.	18.08.2010	11.00 A.M	Nil
50th	2010-11	– do –	15.09.2011	11.00 A.M	Nil
51st	2011-12	– do –	29.08.2012	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 thereunder, 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 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 Second Annual General Meeting:
 - Date : 29th July, 2013
 - 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, 2013 to March, 2014
 - First Quarter results : Before 14th August, 2013
 - Second Quarter results : Before 14th November, 2013
 - Third Quarter results : Before 14th February, 2014
 - Audited results for the year ended 31st March, 2014 : Before 30th May, 2014

Bombay Oxygen Corporation Ltd.

- (iii) Date of Book Closure : 23rd July, 2013 to 29th July, 2013
 (iv) Dividend Payment Date : 2nd August, 2013
 (v) Listing on Stock Exchange : Bombay Stock Exchange Limited
 (vi) Stock Code : 509470
 (vii) 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, 2012	6725.25	6100.00	17664.16	17010.16
May, 2012	8220.00	6393.00	17432.33	15809.71
June, 2012	7811.00	7425.05	17448.48	15748.98
July, 2012	7824.60	7104.00	17631.19	16598.48
August, 2012	7875.00	7500.00	17972.54	17026.97
September, 2012	7875.00	7500.00	18869.64	17250.80
October, 2012	8574.00	7200.80	19137.29	18393.42
November, 2012	7985.00	7985.00	19372.70	18255.69
December, 2012	7945.00	7900.00	19612.18	19149.03
January, 2013	7505.05	6536.00	20203.66	19508.93
February, 2013	6400.05	5511.00	19966.69	18793.97
March, 2013	6100.00	5265.00	19754.66	18568.43

- (viii) Registrar and Transfer Agents : There is no Registrar and Transfer Agent and the Company carries on the job of share transfer in house.
- (ix) 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 lodgement 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.
- (x) Distribution of Share Holding :

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1 – 50	5055	97.74	44091	29.40
51 – 100	75	1.45	5614	3.74
101 – 200	21	0.40	3220	2.15
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	94025	62.68
	5172	100.00	150000	100.00

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(xi) Shareholding Pattern as on 31st March, 2013 :

Category	Number of Shares Held	% of Shares held
Indian Promoters	88400	58.93
Banks, FIs, Insurance Companies	244	0.16
Other Pvt. Corporate Bodies	5361	3.58
Indian Public	55684	37.12
Foreign Holdings (NRI/OCBs)	311	0.21
Total	150000	100.00

(xii) 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.

(xiii) Outstanding GDR/ADR/Warrants etc : Nil

(xiv) 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.

(xv) 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

(xvi) 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, 2013.

Mumbai, 7th June, 2013.

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, 2013, 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 K. G. Shah & Co.
Chartered Accountants
Registration No. 109630W

JAYESHA S. SHAH
Proprietor
Membership No. 45801

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

COMPLIANCE CERTIFICATE

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

To the Members of Bombay Oxygen Corporation Limited

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 thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on 31st March, 2013. 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 thereunder 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 26/04/2012, 19/07/2012, 29/08/2012, 05/11/2012 and 11/02/2013, 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 August, 2012 to 29th August, 2012 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, 2012 was held on 29th August, 2012 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 51st Annual General Meeting in a separate bank account on 01/09/2012, 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 31/03/2012;
24. the amount borrowed by the Company from Directors, members, public financial institutions, Banks and from others during the financial year ending 31/03/2013, 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, 7th June, 2013.

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, 2013.

Sr. No	Form No./ Returns	Section under Act	Particulars of documents	MCA filing date
1.	Annual Return	159(1)	as on 29/08/2012	02/10/2012
2.	Balance Sheet, Directors' & Auditor's Report	220(1)	as on 31/03/2012	15/01/2013
3.	Compliance Certificate	383A	31/03/2012	11/09/2012
4.	Return of deposits	58A	31/03/2012	28/06/2012
5.	Investor Education & Protection Fund	205 C	Unclaimed Dividend	13/10/2012
6.	Investor Education & Protection Fund	205 C	Unclaimed Interest	30/05/2012, 14/08/2012, 19/01/2013, 23/01/2013, 07/03/2013, 09/03/2013
7.	No. 8 Charges of moveable assets created in favour of Canara Bank	125	19/10/2012	13/12/2012
8.	Form 1	233B(4)	Cost Audit Report	31/12/2012

For SANJAY DHOLAKIA & ASSOCIATES

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

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

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 March 31, 2013, 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

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') and in accordance with the 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

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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the 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 qualified audit opinion.

Basis for Qualified Opinion

There is diminution of ₹ 92,081 ('000) based on the net asset value (NAV) in the units of J M Core 11 Fund – Growth Option; no provision for diminution has been made for the reasons stated in Note 12 to the financial statements. We are unable to express an opinion on the extent of diminution.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the matter described in the Basis for Qualified Opinion paragraph*, the aforesaid 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 Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in 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') 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 said 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 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) *Except for the matter described in the basis for Qualified Opinion paragraph*, 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; and
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For K. G. Shah & Co.
Chartered Accountants
Registration No.109630W

JAYESHA S. SHAH
Proprietor
Membership No. 45801

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

ANNEXURE REFERRED TO IN OUR REPORT TO THE MEMBERS OF BOMBAY OXYGEN CORPORATION LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013.

- (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, the fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed between physical fixed assets and the book records. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its business.
- (c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical inventory and the book records were not material.
- (iii) The Company has neither granted nor taken loans, secured or unsecured to/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 are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to 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 controls.
- (v) In our opinion and according to the information and explanations given to us, the Company has no contracts or arrangements that need 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 Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to unclaimed matured fixed deposits accepted from the public. The Company has however, not accepted any fresh deposits during the year under review.
- (vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. However, we are not required to and have not carried out any detailed examination of such records.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the records of the Company, the particulars of income tax, sales tax, wealth tax, service tax, excise duty, custom duty and cess as at 31st March, 2013, which have not been deposited on account of dispute are as under :

Sr. No.	Name of the Statute	Nature of dues	Period to which the matter pertain	Forum where the dispute is pending	Amount (₹ in '000)
1.	Central Excise Act, 1944	Excise Duty	1996-2000	CEGAT (West Zonal Bench)	3,244
			1994-2003	CEGAT	9,941
			2001-2007	CEGAT	70
			2004-2006	Comm. of Central Excise, Raigad Commissionerate	7,939
2.	Income Tax Act, 1961	Income Tax	1998-1999	ITAT – Mumbai	101
			2009-2010	CIT (A) – Mumbai	3,785

Bombay Oxygen Corporation Ltd.

- (x) The Company does not have any accumulated losses as at 31st March, 2013. The Company has incurred cash losses during the financial year, however, it had not incurred cash losses in the immediately preceding financial year.
- (xi) According to the records of the Company, it has not defaulted in repayment of its dues to any financial institution or bank during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of Clause 4(xiii) of the aforesaid Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the aforesaid Order are not applicable to the Company.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not availed any term loans during the year.
- (xvii) On the basis of review of utilisation of funds on an overall basis, related information as made available to us and as represented to us by the management, funds raised on short term basis have not been used for long term investment during the year.
- (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 during the year.
- (xix) The Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
- (xx) The Company has not made any public issue during the year and therefore the question of disclosing the end use of money does not arise.
- (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 K. G. Shah & Co.
Chartered Accountants
Registration No.109630W

JAYESHA S. SHAH
Proprietor
Membership No. 45801

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

BALANCE SHEET AS AT 31ST MARCH, 2013

	Note No.	₹ '000	As at 31st March, 2013 ₹ '000	₹ '000	As at 31st March, 2012 ₹ '000
EQUITY AND LIABILITIES :					
Shareholders' funds					
Share capital	3	15,000		15,000	
Reserves and surplus	4	1,931,230		1,999,132	
			1,946,230		2,014,132
Non-current liabilities					
Long-term borrowings	5	13		482	
Deferred tax liabilities (net)	6	56,682		78,304	
Long-term provisions	7	6,896		7,728	
			63,591		86,514
Current liabilities					
Trade payables	8	18,552		14,628	
Other current liabilities	9	30,617		29,915	
Short-term provisions	10	2,824		4,590	
			51,993		49,133
TOTAL			<u>2,061,814</u>		<u>2,149,779</u>
ASSETS :					
Non-current assets					
Fixed assets – Tangible	11		412,821		447,742
Non-current investments	12		140,000		290,765
Long-term loans and advances	13		33,773		34,989
Long-term trade receivables	14		4,746		4,746
Current assets					
Current investments	15	382,025		277,671	
Inventories	16	26,843		23,047	
Trade receivables	17	54,852		61,206	
Cash and bank balances	18	11,140		5,669	
Short-term loans and advances	19	995,614		1,003,944	
			1,470,474		1,371,537
TOTAL			<u>2,061,814</u>		<u>2,149,779</u>

Significant Accounting Policies 2

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

As per our report of even date.

For K.G. SHAH & CO.
Chartered Accountants
Registration No. 109630W

JAYESHA S. SHAH
Proprietor
Membership No. : 45801
Mumbai, 7th June, 2013.

SHYAM M. RUIA

IBRAHIM A. RAHIMTOOLA
NIRMAL P. JHUNJHUNWALA
AMAY S. RUIA

Chairman
Director
Director
Director

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

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

	Note No.	₹ '000	Year ended 31st March, 2013 ₹ '000	₹ '000	Year ended 31st March, 2012 ₹ '000
INCOME					
Revenue from operations		319,873		402,904	
Less: Excise duty		33,639		36,276	
Revenue from operations (net)	20	286,234		366,628	
Other income	21	(6,979)		30,263	
Total revenue			279,255		396,891
EXPENSES					
Purchases of traded goods	22a	2,865		2,416	
(Increase)/Decrease in inventory of finished goods and work in progress	22b	(1,475)		1,048	
Employee benefits expense	23	30,268		29,959	
Depreciation	24	34,731		35,299	
Other expenses	25	301,390		320,774	
Total expenses			367,779		389,496
Profit/(Loss) before tax			(88,524)		7,395
Tax expense :					
Deferred tax credit			(21,622)		(3,751)
			(21,622)		(3,751)
Profit/(Loss) for the year			(66,902)		11,146
Earnings per share of face value of ₹ 100/- each					
Basic & diluted (in ₹)	26		(446.01)		74.31
Significant Accounting Policies	2				
The accompanying notes are an integral part of the financial statements.					

As per our report of even date.

For K.G. SHAH & CO.
Chartered Accountants
Registration No. 109630W

JAYESHA S. SHAH
Proprietor
Membership No. : 45801
Mumbai, 7th June, 2013.

SHYAM M. RUIA
IBRAHIM A. RAHIMTOOLA
NIRMAL P. JHUNJHUNWALA
AMAY S. RUIA

Chairman
Director
Director
Director

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ '000	₹ '000	₹ '000	₹ '000
A. Cash flow from operating activities :				
Net profit before tax		(88,524)		7,395
Adjustments for :				
Depreciation	34,731		35,299	
Interest income	(1,575)		(1,492)	
Dividend on shares	(423)		(420)	
Dividend from Mutual Funds	(20,454)		(19,759)	
(Profit)/Loss on sale of Investments	35,286		2,082	
(Profit)/Loss on sale of assets	(2,219)		(9,939)	
		45,346		5,771
Operating profit before working capital changes		(43,178)		13,166
Changes in working capital :				
Adjustments for (increase)/decrease in operating assets :				
Trade and other receivables	15,979		23,659	
Inventories	(3,796)		249	
Adjustments for increase/(decrease) in operating liabilities :				
Trade and other payables	5,122		(6,022)	
		17,305		17,886
Cash generated from operations		(25,873)		31,052
Interest paid	(30)		(30)	
Direct taxes paid	(83)		(1,241)	
		(113)		(1,271)
Net cash flow from/(used in) operating activities		(25,986)		29,781
B. Cash flow from investing activities :				
Purchase of fixed assets	(37)		(645)	
Sale of fixed assets	2,323		13,345	
Dividend on shares	423		420	
Dividend from Mutual Funds	20,454		19,759	
Sale & Purchase of Investments (net)	(35,286)		(2,082)	
Investments in Mutual Funds & Shares	46,411		(69,715)	
Intercompany Deposit	0		10,000	
Decrease/(Increase) in fixed deposits (net) (Bank fixed deposits having maturity of more than 3 months)	608		(589)	
Interest received	1,579		1,452	
Net cash (used in)/from investing activities		36,475		(28,055)

Bombay Oxygen Corporation Ltd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ '000	₹ '000	₹ '000	₹ '000
C. Cash flow from financing activities :				
Repayment of borrowings	(1,008)		(1,666)	
Dividend paid	(3,402)		(3,409)	
Net cash (used in)/from financing activities		<u>(4,410)</u>		<u>(5,075)</u>
Net increase/(decrease) in cash and cash equivalents		<u>6,079</u>		<u>(3,349)</u>
Cash and cash equivalents – Opening balance		2,552		5,901
Cash and cash equivalents – Closing balance		8,631		2,552

As per our report of even date.

For K.G. SHAH & CO.
Chartered Accountants
Registration No. 109630W

JAYESHA S. SHAH
Proprietor

Membership No. : 45801

Mumbai, 7th June, 2013.

SHYAM M. RUIA

IBRAHIM A. RAHIMTOOLA

NIRMAL P. JHUNJHUNWALA

AMAY S. RUIA

Chairman

Director

Director

Director

Mumbai, 7th June, 2013.

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

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 the shareholders' right to receive dividend is established by the Balance Sheet date.

(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, 2013

(j) Employee benefits

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

The liability towards gratuity is determined using the projected unit credit method. The valuation has been ascertained by the Life Insurance Corporation of India 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 is calculated at the tax rates and laws that have been enacted or substantially enacted by the Balance sheet date and is recognised on timing differences that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that they can be realised.

(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.

(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, 2013		As at 31st March, 2012	
	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, 2013

	As at 31st March, 2013		As at 31st March, 2012	
	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, 2013		As at 31st March, 2012	
	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, 2013		As at 31st March, 2012	
	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, 2013

	As at 31st March, 2013		As at 31st March, 2012	
	₹ '000	₹ '000	₹ '000	₹ '000
4. RESERVES AND SURPLUS				
Capital reserve		94		94
Revaluation reserve				
Balance as per the last financial statements	654		977	
<i>Less:</i>				
Transferred to Statement of Profit and Loss	24		30	
Transferred to Statement of Profit and Loss on sale of Revalued Asset	99		293	
	—	531	—	654
General reserve				
Balance as per the last financial statements	1,998,384		1,990,724	
<i>Add/(Less) :</i>				
Transferred from/(to) Statement of Profit and Loss	(67,779)		7,660	
	—	1,930,605	—	1,998,384
Balance in the Statement of Profit and Loss				
Balance as per the last financial statements	—		—	
<i>Add:</i> Transferred from General reserve	67,779		—	
Profit/(Loss) for the year	(66,902)		11,146	
<i>Less:</i> Appropriations				
Proposed Dividend	750		3,000	
Tax on Proposed Dividend	127		486	
Transfer to General Reserve	—		7,660	
	—	—	—	—
		1,931,230		1,999,132

	Non-current Liabilities		Current Liabilities	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
	₹ '000	₹ '000	₹ '000	₹ '000
5. LONG-TERM BORROWINGS				
Unsecured				
Sales Tax deferral loan	13	482	469	1,008
<i>Less:</i>				
Amount disclosed under the head "Other Current Liabilities"	—	—	469	1,008
Net Amount	13	482	—	—

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, 2013

	As at 31st March, 2013	As at 31st March, 2012
	₹ '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	78,940	81,877
Less: Deferred tax asset		
Provision for employee benefits	70	423
Unabsorbed depreciation and business losses	22,188	3,150
	<u>56,682</u>	<u>78,304</u>
7. LONG-TERM PROVISIONS		
Provision for employee benefits (Refer Note 30)	6,896	7,728
	<u>6,896</u>	<u>7,728</u>
8. TRADE PAYABLES		
Trade payables	18,552	14,628
	<u>18,552</u>	<u>14,628</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)	469	1,008
Investor Education and Protection Fund will be credited by following amounts as and when due :		
Unpaid dividends	1,005	921
Unpaid matured deposits and interest accrued thereon	505	657
	<u>1,510</u>	<u>1,578</u>
Other payables :		
Statutory remittances	2,730	2,248
Advances from customers	2,844	2,180
Interest free deposits from customers	23,064	22,901
	<u>28,638</u>	<u>27,329</u>
	<u>30,617</u>	<u>29,915</u>
10. SHORT-TERM PROVISIONS		
Provision for employee benefits (Refer Note 30)	1,947	1,104
Provisions – Others :		
Proposed equity dividend	750	3,000
Tax on proposed dividend	127	486
	<u>877</u>	<u>3,486</u>
	<u>2,824</u>	<u>4,590</u>

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

11. FIXED ASSETS :

₹ '000

Tangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2012	Additions	Deductions	As at 31.03.2013	As at 01.04.2012	For the year	On deductions/ adjustments	As at 31.03.2013	As at 31.03.2013
Leasehold Land	461 (461)	— (—)	— (—)	461 (461)	— (—)	— (—)	— (—)	— (—)	461 (461)
Leasehold Depot	104 (104)	— (—)	104 (—)	— (104)	— (—)	— (—)	— (—)	— (—)	— (104)
Buildings*	134,919 (137,820)	— (—)	— (2,901)	134,919 (134,919)	27,498 (25,162)	4,496 (4,512)	— (2,176)	31,994 (27,498)	102,925 (107,421)
Plant and Machinery	519,871 (557,643)	— (—)	4,278 (37,772)	515,593 (519,871)	259,596 (269,606)	24,432 (24,805)	4,179 (34,815)	279,849 (259,596)	235,744 (260,275)
Transport Tanks	107,054 (107,054)	— (—)	— (—)	107,054 (107,054)	35,130 (30,145)	4,831 (4,985)	— (—)	39,961 (35,130)	67,093 (71,924)
Furniture & Fixtures	2,072 (2,076)	— (24)	— (28)	2,072 (2,072)	573 (472)	128 (127)	— (26)	701 (573)	1,371 (1,499)
Office Equipment	4,426 (4,394)	37 (63)	— (31)	4,463 (4,426)	1,636 (1,339)	315 (313)	— (16)	1,951 (1,636)	2,512 (2,790)
Vehicles	7,479 (7,479)	— (—)	— (—)	7,479 (7,479)	4,211 (3,624)	553 (587)	— (—)	4,764 (4,211)	2,715 (3,268)
	776,386	37	4,382	772,041	328,644	34,755	4,179	359,220	412,821
	(817,031)	(87)	(40,732)	(776,386)	(330,348)	(35,329)	(37,033)	(328,644)	(447,742)

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, 2013

As at 31st March, 2012

Nos.

₹ '000

Nos.

₹ '000

12. NON-CURRENT INVESTMENTS

Non-Trade Investments :

(valued at cost unless stated otherwise) :

- (a) 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	20,000,000	200,000
	140,000		200,000

- (b) Investment in Equity Shares – Quoted (Shares of ₹ 10 each, unless otherwise specified)

1. Allcargo Logistics Ltd. (Shares of ₹ 2 each)	—	—	19,737	3,233
2. Axis Bank Ltd.	—	—	6,754	8,045
3. Bajaj Auto Ltd.	—	—	1,751	2,434
4. Bajaj Electricals Ltd. (Shares of ₹ 2 each)	—	—	17,288	3,232
5. Bajaj Finance Ltd.	—	—	6,997	4,509
6. Bank of Baroda	—	—	3,594	2,778
7. Cadila Healthcare Ltd. (Shares of ₹ 5 each)	—	—	6,327	5,066
8. Century Textiles & Industries Ltd.	—	—	8,300	3,051
9. Cox and Kings Ltd. (Shares of ₹ 5 each)	—	—	22,169	4,429
10. Divi's Laboratories Ltd. (Shares of ₹ 2 each)	—	—	3,989	3,291

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	₹ '000	Nos.	₹ '000
12. NON-CURRENT INVESTMENTS (Contd.)				
11. Emami Ltd. (Shares of ₹ 1 each)	—	—	7,805	2,764
12. Exide Industries Ltd. (Shares of ₹ 1 each)	—	—	28,676	4,633
13. HCL Technologies Ltd. (Shares of ₹ 2 each)	—	—	6,632	2,807
14. ICICI Bank Ltd.	—	—	5,603	5,761
15. Ipca Laboratories Ltd. (Shares of ₹ 2 each)	—	—	12,119	3,578
16. Jain Irrigation Systems Ltd. (Shares of ₹ 2 each)	—	—	22,541	3,204
17. Lupin Ltd. (Shares of ₹ 2 each)	—	—	6,213	2,804
18. Mahindra & Mahindra Financial Services Ltd.	—	—	4,494	2,953
19. Multi Commodity Exchange of India Ltd.	—	—	2,819	3,931
20. Opto Circuits (India) Ltd.	—	—	14,885	3,170
21. Oracle Financial Services Software Ltd. (Shares of ₹ 5 each)	—	—	1,585	3,330
22. Raymond Ltd.	—	—	8,692	3,276
23. Sun TV Network Ltd. (Shares of ₹ 5 each)	—	—	10,150	3,115
24. Tata Consultancy Services Ltd. (Shares of ₹ 1 each)	—	—	2,460	2,465
25. Zee Entertainment Enterprises Ltd. (Shares of ₹ 1 each)	—	—	22,926	2,906
				90,765
		140,000		290,765

	As at 31st March, 2013		As at 31st March, 2012	
	Book Value ₹ '000	Market Value ₹ '000	Book Value ₹ '000	Market Value ₹ '000
Aggregate of Quoted Investments	—	—	90,765	91,409
Aggregate of Unquoted Investments	140,000		200,000	
	140,000		290,765	

* "Investments" are recorded and carried at their original cost. In so far as it relates to Investments in Mutual Funds under their "core investment" scheme, the Company has been advised by experts in the relevant field that the lower net asset value as at 31st March, 2013 do not represent a "permanent" diminution in their values and, based thereon, the Company has been advised that no provision in respect of such diminution is required to be made under AS-13. Accordingly, the foregoing investments are reflected at their cost.

	As at 31st March, 2013	As at 31st March, 2012
	₹ '000	₹ '000
13. LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security deposits	2,421	3,811
Prepaid expenses	157	66
Advance income tax (net of provision)	31,195	31,112
	33,773	34,989

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	As at 31st March, 2013 ₹ '000	As at 31st March, 2012 ₹ '000
14. 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), for which the Company 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, 2013		As at 31st March, 2012	
	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 Fixed Term Plan – Service 23 (3 Months) – Dividend Payout	—	—	1,000,000.000	10,000
2. Axis Treasury Advantage Fund – Daily Dividend Reinvestment (Units of ₹ 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 Short Term FMP Series 30 Dividend – Payout	—	—	1,014,140.000	10,141
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	2,951,811.189	31,397
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 Interval Fund II Quarterly Interval Plan D Institutional Dividend	—	—	555,989.000	5,560
11. ICICI Prudential Gilt Fund Treasury – Regular Plan – Growth	2,412,926.353	71,180	—	—
12. IDFC Money Manager Fund – Investment Plan A – Daily Dividend	—	—	4,207,822.474	42,078
13. Reliance Liquid Fund – TP – Instl. – Daily Dividend	—	—	602,937.127	9,217
14. Reliance Medium Term Fund – Daily Dividend	—	—	3,076,672.286	52,598
15. Reliance Money Manager Fund Institutional – Daily Dividend Plan (Units of ₹1000 each)	—	—	26,239.556	26,276
16. Reliance Short Term Fund – Quarterly Dividend Plan Dividend Reinvestment	738,621.737	10,098	—	—
17. Templeton India Treasury Management Account Institutional Plan – Daily Dividend (Units of ₹ 1000 each)	31,986.154	32,008	34,693.062	34,716
18. UTI FMP Quarterly Series Institutional Dividend Plan – Reinvestment	—	—	5,568,826.009	55,688
		382,025		277,671

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	As at 31st March, 2013 ₹ '000	As at 31st March, 2012 ₹ '000
16. INVENTORIES		
(At lower of cost and net realisable value)		
Plant components	11,403	11,416
Finished goods [includes stock-in-transit ₹67(000) (Previous Year – Nil)]	7,043	5,555
Stores and spares [includes stock-in-transit ₹18(000) (Previous Year – ₹22(000))]	8,397	6,076
	<u>26,843</u>	<u>23,047</u>
17. TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they were due for payment	5,694	2,188
Others	49,158	59,018
	<u>54,852</u>	<u>61,206</u>
18. CASH AND BANK BALANCES		
Cash and cash equivalents :		
Cash on hand	245	208
Cheques, drafts on hand	504	1,292
Balances with banks		
(i) In current accounts	6,858	96
(ii) In earmarked accounts		
– Unpaid dividend accounts	1,005	921
– Unpaid interest on deposits	19	35
	<u>8,631</u>	<u>2,552</u>
Other bank balances :		
(i) In deposit accounts with original maturity of 12 months	90	100
(ii) Margin money deposits	2,419	3,017
	<u>2,509</u>	<u>3,117</u>
	<u>11,140</u>	<u>5,669</u>
19. SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances to employees	15	11
Prepaid expenses	3,087	2,831
Balances with government authorities	728	864
Inter-corporate deposits*	990,000	990,000
Advances recoverable in cash or in kind	1,784	10,238
	<u>995,614</u>	<u>1,003,944</u>

* 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) only. 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 ₹200,000(000) and confident of receiving the balance amount.

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ '000	₹ '000	₹ '000	₹ '000
20. REVENUE FROM OPERATIONS :				
Sale of products		295,693		356,781
Other operating revenues		24,180		46,123
		319,873		402,904
Less: Excise duty		33,639		36,276
		286,234		366,628
Sale of products comprises :				
Manufactured goods :				
Industrial Gases		258,199		317,986
Traded goods :				
Industrial Gases		3,855		2,519
Total – Sale of products		262,054		320,505
Other operating revenues :				
Transport & Octroi	19,182		40,880	
Others	4,998		5,243	
		24,180		46,123
Revenue from operations (net)		286,234		366,628
21. OTHER INCOME :				
Interest :				
on Deposits with Bank/Others		340		348
on Overdue Debts		1,235		1,144
		1,575		1,492
Dividend income :				
from current investments		20,454		19,759
from long-term investments		423		420
		20,877		20,179

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ '000	₹ '000	₹ '000	₹ '000
Net gain/(loss) on sale of :				
current investments	3,885		118	
long-term investments	(39,171)		(2,200)	
		(35,286)		(2,082)
Other non-operating income :				
Profit on sale of Assets	2,219		9,939	
Liabilities no longer required written back	3,513		0	
Sales tax set off	0		317	
Miscellaneous Income	123		418	
		5,855		10,674
		(6,979)		30,263

22a. PURCHASE OF TRADED GOODS :

Industrial Gases	2,865	2,416
	2,865	2,416

22b. CHANGES IN INVENTORIES OF FINISHED

GOODS AND WORK-IN-PROGRESS :

Inventories at the end of the year :

Finished goods	7,043	5,555
Plant components	11,403	11,416
	18,446	16,971

Inventories at the beginning of the year :

Finished goods	5,555	6,601
Plant components	11,416	11,418
	16,971	18,019
Net (increase) / decrease	(1,475)	1,048

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ '000	₹ '000	₹ '000	₹ '000
23. EMPLOYEE BENEFITS EXPENSE :				
Salaries, wages and bonus		26,614		23,961
Contributions to provident and other funds		2,814		2,751
Gratuity (refer note 30)		69		2,387
Staff welfare expenses		771		860
		30,268		29,959
24. DEPRECIATION :				
Depreciation for the year on tangible assets as per Note 11		34,755		35,329
Less: Recouped from Revaluation Reserve		24		30
		34,731		35,299
25. OTHER EXPENSES :				
Consumption of stores and spare parts		1,594		2,868
Power		242,684		246,623
Rent		2,143		3,031
Repairs and maintenance :				
Buildings		66		57
Machinery		792		958
Others		144		106
		1,002		1,121
Insurance		1,309		1,352
Rates and taxes		3,995		2,644
Carriage Outward and Transportation		21,175		42,146
Communications cost		682		731
Travelling, conveyance and car		2,252		2,315
Printing and stationery		616		659
Legal and professional		17,278		10,814
		17,278		10,814
Carried Forward.....		294,730		314,304

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	₹ '000	₹ '000	₹ '000	₹ '000
Brought Forward.....		294,730		314,304
Payments to auditors :				
Audit Fees		337		337
Tax Audit Fees		84		82
Other Services		253		304
		674		723
Bad Debts written off		58		11
Investments in Subsidiaries written off		0		1,000
Miscellaneous expenses		5,773		4,544
Director's sitting fees		155		192
		301,390		320,774

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

	Year ended 31st March, 2013		Year ended 31st March, 2012
	₹ '000	(66,902)	11,146
Profit/(Loss) after tax			
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)	₹	(446.01)	74.31

27. CONTINGENT LIABILITIES NOT PROVIDED FOR :

- Claim against the Company not acknowledged as debts ₹ **518(000)** [Previous year – ₹ 742(000)].
- Disputed liability towards excise ₹ **21,194(000)** [Previous year – ₹ 21,194(000)] in respect of various units.
- Disputed liability in respect of Income tax ₹ **3,886(000)** [Previous year – ₹ 101(000)].
- Bills discounted ₹ **16,328(000)** [Previous year – ₹ 5,215(000)].

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

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

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	% of total		% of total	
	consumption	₹ '000	consumption	₹ '000
Components and Spare Parts				
Imported	89	1,421	—	—
Indigenous	11	173	100	2,868
	100	1,594	100	2,868

	Year ended 31st March, 2013	Year ended 31st March, 2012
	₹ '000	₹ '000
29. CIF VALUE OF IMPORTS :		
Stores & Spares	1,778	287

30. EMPLOYEE BENEFITS :

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

(a) Charge to the Statement of Profit and Loss based on contributions :

	31st March, 2013	31st March, 2012
	₹ '000	₹ '000
Gratuity	69	2,387
Leave Encashment	399	338

(b) Defined benefit plans based on actuarial reports as on 31st March, 2013

	As on 31st March, 2013		As on 31st March, 2012	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	(Funded)	(Non Funded)	(Funded)	(Non Funded)
	₹ '000	₹ '000	₹ '000	₹ '000
1. Change in Defined Benefit Obligation				
Opening defined benefit obligation	14,884	2,546	13,417	2,533
Current Service Cost	591	610	481	532
Interest Cost	1,191	204	1,073	202
Actuarial loss/(gain)	(956)	(415)	1,565	(396)
Benefits paid	(1,184)	(183)	(1,652)	(325)
Closing defined benefit obligation	14,526	2,762	14,884	2,546

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	As on 31st March, 2013		As on 31st March, 2012	
	Gratuity (Funded)	Leave Encashment (Non Funded)	Gratuity (Funded)	Leave Encashment (Non Funded)
	₹ '000	₹ '000	₹ '000	₹ '000
2. Change in Fair Value of Assets				
Opening fair value of plan assets	8,598	Nil	8,420	Nil
Expected return on plan assets	757	Nil	732	Nil
Actuarial gain/(loss)	Nil	Nil	Nil	Nil
Contributed by employer	274	Nil	1,098	Nil
Benefits paid	(1,184)	Nil	(1,652)	Nil
Closing fair value of plan assets	8,445	Nil	8,598	Nil
3. Amount recognised in the Balance Sheet				
Present value of obligations as at year end	14,526	2,762	14,884	2,546
Fair value of plan assets as at year end	(8,445)	Nil	(8,598)	Nil
Net (asset)/liability recognised as at year end	6,081	2,762	6,286	2,546
4. Expenses recognised in the Statement of Profit and Loss				
Current service cost	591	610	481	532
Interest Cost	1,191	204	1,073	202
Expected return on plan assets	(757)	Nil	(732)	Nil
Net actuarial loss/(gain)	(956)	(415)	1,565	(396)
Total expenses	69	399	2,387	338
5. Principal actuarial assumptions used				
Discount rate (p.a.)	8.00%	8.00%	8.00%	8.00%
Mortality Table (L.I.C.)	(1994-96) Ultimate	(1994-96) Ultimate	(1994-96) Ultimate	(1994-96) Ultimate
Turnover Rate (p.a.)	1% – 3%	1%	1% – 3%	1%
Future Salary Increase (p.a.)	4%	5%	4%	5%

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

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, 2013 ₹ '000	Year ended 31st March, 2012 ₹ '000
Segment Revenue		
Industrial Gases	286,234	366,628
Plant Manufacturing Division	—	—
Total	286,234	366,628
Less: Inter segment revenue	—	—
Total Segment Revenue	286,234	366,628
Segment Results		
Industrial Gases	(81,545)	(21,868)
Plant Manufacturing Division	—	—
Operating Income	(81,545)	(21,868)
Less: Unallocable expense	0	1000
Add: Other Income	(6,979)	30,263
Profit/(Loss) before tax	(88,524)	7,395
Less : Tax expense	(21,622)	(3,751)
Profit/(Loss) for the year	(66,902)	11,146
Segment Assets		
Industrial Gases	506,975	546,524
Plant Manufacturing Division	11,403	11,416
Unallocated	1,543,436	1,591,839
Total Assets	2,061,814	2,149,779

Bombay Oxygen Corporation Ltd.

Notes to Financial Statements for the year ended 31st March, 2013

	Year ended 31st March, 2013	Year ended 31st March, 2012
	₹ '000	₹ '000
Segment Liabilities		
Industrial Gases	55,046	50,933
Plant Manufacturing Division	2,000	2,000
Unallocated	59,069	83,368
Total Liabilities	116,115	136,301
Capital expenditure (allocable)	37	87
Depreciation	34,731	35,299
Non-cash expenses other than depreciation	—	—

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

	Signatures to Notes 1 to 32	
As per our report of even date.		
For K. G. SHAH & CO.	SHYAM M. RUIA	<i>Chairman</i>
<i>Chartered Accountants</i>		
Registration No. 109630W	IBRAHIM A. RAHIMTOOLA	<i>Director</i>
	NIRMAL P. JHUNJHUNWALA	<i>Director</i>
JAYESHA S. SHAH	AMAY S. RUIA	<i>Director</i>
<i>Proprietor</i>		
Membership No. : 45801		
Mumbai, 7th June, 2013.	Mumbai, 7th June, 2013.	

Bombay Oxygen Corporation Ltd.

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

**Members
Feedback
Form
2012-2013**

Name : e-mail id

Address :

.....

.....

Folio No. :

No. of equity shares held :

Signature of member/s

		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

.....

.....

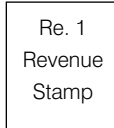
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Bombay Oxygen Corporation Ltd.

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-SECOND ANNUAL GENERAL MEETING of the
Company to be held on Monday, the 29th July, 2013 at 11.00 a.m. and at any adjournment thereof.
Signed this day of..... 2013.



Signature across Revenue Stamp

Tear Here

Bombay Oxygen Corporation Ltd.

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-SECOND 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, 29th July, 2013.

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

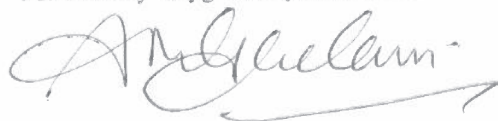
No. of Shares held _____

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 discontinued.

FORM B
Qualified/Subject to/Except for Audit Report

1.	Name of the Company	Bombay Oxygen Corporation Limited
2.	Annual financial statements for the year ended.	31 st March, 2013.
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	Appeared first time.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report.	<p>Basis for Qualified Opinion: There is diminution of Rs. 92,081('000) based on the net asset value (NAV) in the units of J M Core 11 Fund – Growth Option; no provision for diminution has been made for the reasons stated in Note 12 to the financial statements. Auditors are unable to express an opinion on the extent of diminution. (REFER PAGE NO. 17 OF ANNUAL REPORT)</p> <p>Management's response: To the qualification in the Auditor's Report, the Management has fully explained its position in the Note 12 to the Financial Statements which states that - Investments are recorded and carried at their original cost. In so far as it relates to Investments in Mutual Funds under their core investment scheme, the Company has been advised by experts in the relevant field that the lower net asset value as at 31st March, 2013 do not represent a permanent diminution in their values and, therefore, no provision in respect of such diminution is required to be made under AS-13. Accordingly, the foregoing investments are reflected at their cost. In view of this, the qualification by the Auditors is unwarranted/misconceived. (REFER PAGE NOS. 5 & 30 OF ANNUAL REPORT)</p>
6.	Additional comments from the board/audit committee chair.	-

For Bombay Oxygen Corporation Ltd.



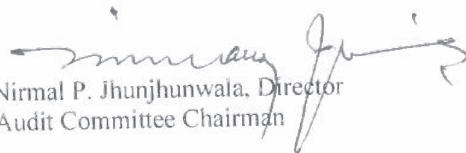
Ajit M. Ghelani, Director

1) CEO/Managing Director/Director



B. P. Mehta

2) CFO/G. M.(Finance & Accounts)

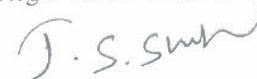


Nirmal P. Jhunjhunwala, Director

3) Audit Committee Chairman

Mumbai, 25th July, 2013

Auditors of the Company
For K. G. Shah & Co.
Chartered Accountants
Registration No. 109630W



Jayesha S. Shah
Proprietor

Membership No. 45801

Mumbai, 25th July, 2013