

# ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH, 2005

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## Asiatic Oxygen Ltd.

REGD. OFFICE : 8. B. B. D. BAG (EAST), KOLKATA - 700 001



Asiatic Oxygen Ltd.

**Board of Directors**

SMT. PADMA JALAN, Chairperson & Managing Director  
 SHRI SUKHENDU RAY  
 SHRI A. K. KANORIA  
 SHRI A. C. MUKHERJI  
 SHRI A. K. DALMIA  
 SHRI H. P. KALIKA

**Company Secretary**

SHRI SHAMBHU SINGH

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## Asiatic Oxygen Ltd.

### NOTICE

#### TO THE MEMBERS

Notice is hereby given that the 43<sup>rd</sup> ANNUAL GENERAL MEETING of the Members of Asiatic Oxygen Limited will be held at the Registered Office of the Company at 8, B.B.D. Bag (East), Kolkata - 700001 on Thursday the 8th September, 2005 at 10.30 A.M. to transact the following business :-

#### ORDINARY BUSINESS :

1. To receive and adopt the Profit & Loss Account for the year ended 31st March, 2005 and the Balance Sheet as at that date together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ajay Kumar Kanoria who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Arun Kumar Dalmia, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors of the Company and to fix their remuneration.

#### SPECIAL BUSINESS :

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

"RESOLVED THAT a new clause numbered as Clause 5 be inserted in the Memorandum of Association of the Company and existing Clauses 5 to 46 of the Memorandum of Association be renumbered as Clauses 6 to 47.

#### Clause 5

To acquire by purchase, lease, sub-lease, exchange, licence, sub-licence, higher purchaser, rent or by any other mode, lands, buildings and to construct housing complexes, commercial complexes or any other buildings, bungalows, offices, apartments, rooms, shops, farm houses or other estates, parks including information Technology Parks, places of amusement, pleasure grounds or other buildings including factories, roads and to build, re-build, pull down, demolish, erect, enlarge, and dispose off whether in full or piecemeal any of lands, buildings, housing complexes, commercial complexes or any other buildings, bungalows, offices, apartments, rooms, shops, farm houses or other estates, parks including information Technology Parks, places of amusement, pleasure grounds or other buildings including factories, roads, or other estates by selling, giving on rent, lease, sub-lease, licence, sub-licence and on hire or hire purchase, mortgage or by any other mode, and to render consultation in buildings, housing complexes, commercial complexes, including multi-storied flats, bungalows, offices, apartments, roads and to deal in all kinds of lands, buildings, housing complexes, commercial


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complexes or any other buildings, bungalows, offices, apartments, rooms, shops, farm houses or other estates, parks including information Technology Parks, places of amusement, pleasure grounds or other buildings including factories, roads or any other immovable properties, and to carry on all or any kind of business of builders, contractors, decorators, merchants, dealers in stone, sand, cement bricks, timbers, iron & steel, hardware and other building materials / requisites and such other business which the Company may think directly or indirectly conducive to these objects or which may advance the business of the Company and to contribute or otherwise assist or to take part in the construction, maintenance, development, working, control and management thereof and to join any other person or Company by way of joint venture on the basis of profit sharing within or outside India in doing any of these things.

Registered Office :  
8, B.B.D. Bag (East)  
Kolkata - 700 001  
28th July, 2005

By Order of the Board  
**SHAMBHU SINGH**  
Company Secretary

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**NOTES :**

1. A MEMBER, ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective, must be received by the Company not less than 48 hours before the time for holding the Meeting.
2. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of item No. 5 is annexed and forms part of this Notice.
3. The Share Transfer Book and the Register of Members of the Company will remain closed from 30th August, 2005 to 8th September, 2005 both days inclusive.
4. Members are requested in their own interest :
  - a) To notify the Company about any change in address with correct Pin code, mandate/bank details.
  - b) To quote correct Folio No./Client I.D. No. and DP I.D. No. in all correspondence with the Company to facilitate better service to the Members.
  - c) To furnish particulars of Share Certificate(s) and Distinctive No. of Shares held by them, if not already sent to the Company.
  - d) To dematerialise the Equity Shares of the Company.
5. Members who hold shares in the electronic mode are requested to send the intimation for change of address, to their respective depository participant.



## Asiatic Oxygen Ltd.

### EXPLANATORY STATEMENT :

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out material facts relating to the business under Item No. 5 of the accompanying Notice dated 28th July, 2005.

The Company at present possesses lands at prime locations. After careful study of Real Estate Market your Directors have decided to enter into and pursue the Real Estate business on the existing lands of the company or any land being acquired and earmarked for Real Estate business and therefore a new Clause numbered as clause 5 which empowers the Company to pursue the Real Estate business is proposed to be inserted in the Memorandum of Association of the Company and the existing clauses 5 to 46 to be renumbered as Clauses. 6 to 47.

The Resolution set out in item No. 5 of the accompanying Notice has to be considered accordingly and the Board recommends the same.

No Director has any interest or concern.

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## DIRECTORS' REPORT TO THE MEMBERS

Your Directors present their Report together with the Audited Accounts of the Company, for the year ended 31st March, 2005.

### FINANCIAL RESULTS

(Rs in lacs)

Surplus for the year before Interest, Depreciation and Taxation	107.91
Interest	0.74
Gross Profit before Depreciation & Taxation	107.17
Depreciation for the year	(6.53)
Profit before Taxation for the year	100.64
Provision for Taxation - Current	(8.20)
Provision for Taxation -Deferred	(11.10)
Profit after Taxation	81.34
Balance Brought forward from the previous year	1.35
Balance available for appropriation	82.69
Transferred to General Reserve	80.00
Balance Carried to Balance Sheet	2.69

### DIVIDEND

In order to conserve resources for growth, your Directors have decided not to recommend any dividend.

### OPERATIONS

Sales and Other Income for the year were Rs. 527.73 Lacs as against the previous year of Rs.451.25 Lacs. Surplus before Interest, Depreciation and Taxation was Rs.107.91 Lacs compared to Rs.114.10 Lacs for the previous year. Profit for the year before Taxation was Rs. 100.64 Lacs as against Rs. 107.37 Lacs for the previous year.



## **FIXED DEPOSITS**

The Company has not accepted any Fixed Deposits from the Public during the year under review.

## **PARTICULARS OF EMPLOYEES**

No employee of the Company is in receipt of the remuneration prescribed under Section 217(2A) of the Companies Act, 1956.

## **LISTING OF SHARES**

The Equity shares of the Company are listed with Calcutta Stock Exchange. The Listing Fee for the Current Year has been paid.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, Directors state and confirm :-

- i) that in preparation of the Accounts for the year ended 31st March, 2005, the applicable accounting standards have been followed ;
- ii) that they 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 aforesaid financial year and of the Profit/Loss of the Company for the year ended on that date ;
- iii) that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities ;
- iv) that the Directors have prepared the Accounts for the year ended 31st March, 2005 on a going concern basis.

## **CORPORATE GOVERNANCE**

A separate report on Corporate Governance is included in the Annual Report and a certificate from the Company's Auditors' certifying the compliance of conditions on Corporate Governance as stipulated in the said Clause 49 of the Listing Agreement is annexed thereto. Relevant provisions of the Companies Act, 1956 are also complied with.



## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Sarvashree Ajay Kumar Kanoria and Arun Kumar Dalmia, retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

## **AUDITORS**

M/s S B Dandekar & Co., Auditors of the Company, retire and are eligible for re-appointment.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO**

Information as per Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto.

## **APPRECIATION**

The Directors wish to place on record their appreciation of the co-operation received from all the employees and wish to thank them for their sincere efforts and loyalty.

Kolkata,  
The 28<sup>th</sup> day of July, 2005

For & On behalf of the  
Board of Directors  
**PADMA JALAN**  
Chairperson





## Asiatic Oxygen Ltd.

### ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2005.

#### A. CONSERVATION OF ENERGY

##### Energy Conservation measures taken

The Company has been making continuous efforts to bring the power, fuel and furnace oil consumption per unit to a possible minimum per unit.

#### B. TECHNOLOGY ABSORPTION

##### (1) Research & Development (R&D)

- (a.) The Company is not carrying out any Research and Development
- (b) Future Plan and Action - None
- (c) Expenditure on R&D - Nil

##### (2) Technology absorption.

The company has not imported any technology.

#### C. FOREIGN EXCHANGE

The total Foreign Exchange outgo during the year ended 31<sup>st</sup> March, 2005 was Rs. 8.17 Lacs.

**CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :**

The Company believes and is committed to good Corporate Governance and has complied with all the material aspects of the requirement specified in Listing Agreement with the Stock Exchange.

**2. BOARD OF DIRECTORS :**

A) The Board of Directors of the Company consists of 6 members comprising :

- a) One Chairperson and Managing Director
- b) Five Non-Executive Independent Directors

B) Attendance of each Director at the Board of Directors' Meetings :

In all 5 Board Meetings were held during the financial year 2004-05 on 30.06.2004, 24.07.2004, 09.09.2004, 30.10.2004 and 28.01.2005.

The attendance of the Directors is as under :

Name of the Director	Category	No. of Board Meetings Attended	Attendance at the last AGM	No. of other Directorship	No. of Membership/Chairmanship of other Companies mandatory	
					Committees Membership	Chairmanship
Smt. Padma Jalan	Chairperson & Managing Director	5	YES	1	NIL	NIL
Shri A K Kanoria	Non Executive Independent Director	3	NO	7	NIL	NIL
Shri A.C. Mukherji	-do-	3	YES	8	4	3
Shri Sukhendu Ray	-do-	4	YES	6	4	3
Shri Arun Kr. Dalmia	-do-	5	YES	2	NIL	NIL
Shri H.P. Kalika	-do-	5	YES	1	NIL	NIL

**3. AUDIT COMMITTEE :**

The Audit Committee consists of 3 Non-Executive Independent Directors viz. Shri Sukhendu Ray, Shri A.C. Mukherji and Shri H.P. Kalika. The Company Secretary acts as Secretary to the Committee.

During the financial year ended 31<sup>st</sup> March, 2005 three meetings were held on 30.06.2004, 24.07.2004 and 28.01.2005.

The attendance was as under :

Name of the Director		Meetings attended
Shri Sukhendu Ray	Chairman	2
Shri A.C. Mukherji	Member Director	2
Shri H.P. Kalika	Member Director	3

**4. SHARE TRANSFER AND SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE :**

The Chairman and the Members of the Committee named below are all Non-Executive and Independent Directors.