

# ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH, 2007

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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 45<sup>TH</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 Friday the 28<sup>th</sup> September, 2007 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 31<sup>st</sup> March, 2007 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 Arun Kumar Dalmia who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Hari Prasad Kalika 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.

Registered Office :

8, B.B.D. Bag (East)

Kolkata - 700 001

21st August, 2007

By Order of the Board

**SHAMBHU SINGH**

Company Secretary

### 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. The Share Transfer Book and the Register of Members of the Company will remain closed from 19.09.2007 to 28.09.2007 both days inclusive.
3. 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.



Asiatic Oxygen Ltd.

- 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.
  - e) To make/change nomination in respect of their shareholdings
4. Members who hold shares in the electronic mode are requested to send the intimation for change of address, to their respective depository participant.
  5. *Members holding shares in multiple folios in identical names or joint names are requested to consolidate their shareholdings into one folio.*
  6. Appointment/Re-appointment of Directors:

Shri Arun Kumar Dalmia and Shri Hari Prasad Kalika, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange(s), following information is furnished about the Directors proposed to be re-appointed.

#### **Brief particulars of Shri Arun Kumar Dalmia**

Shri Arun Kumar Dalima, aged about 51 years, a Bachelor of Commerce (Honours) from University of Calcutta. He has two decades of experience/knowledge in the field of Laser engraving, Medical Gases and Textiles. Presently he is Honorary Secretary of Merchant Chamber of Commerce, Calcutta. He is very active and also associated with social and philanthropic organizations. He holds Directorship in following Public Limited Companies. Besides he also holds Directorship in a number of Private Limited Companies.

Company	Position	Committee Membership held
New India Shipping Lines Ltd.	Director	—
Banshidhar Durgadutt Ltd.	Director	—

Shri Arun Kumar Dalmia holds 10 shares in Asiatic Oxygen Ltd. as on 31<sup>st</sup> March, 2007.



## Asiatic Oxygen Ltd.

### **Brief particulars of Shri Hari Prasad Kalika**

Shri Hari Prasad Kalika, aged about 60 years, Graduated in Commerce from University of Rajasthan at Jaipur in the year 1969. He has wide experience in Accounts, Taxation, production, marketing and administration particularly management and control of Steel Rolling Mills. He independently controlled/ managed steel rolling mill for three decades. He has attended a number of seminars/conferences/ workshops of All India Rolling Mills Association, Kolkata. He also dealt with Real Estate projects. At present he holds Directorship in a number of Private Limited Companies. He is very active and presently associated with social and philanthropic organizations.

Shri Hari Prasad Kalika holds 1 share in Asiatic Oxygen Ltd. as on 31<sup>st</sup> March, 2007.

Registered Office :  
8, B.B.D. Bag (East)  
Kolkata - 700 001  
21st August, 2007

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

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Asiatic Oxygen Ltd.

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors present their Report together with the Audited Accounts of the Company, for the year ended 31<sup>st</sup> March, 2007.

### FINANCIAL RESULTS

(Rs. In lacs)

Surplus for the year before Interest, Depreciation and Taxation	220.78
Interest	0.67
Gross Profit before Depreciation and Taxation	220.11
Depreciation for the year	6.48
Profit before Taxation for the year	213.63
Provision for Taxation – Current	( 19.82)
Provision for Taxation – Deferred	( 33.13)
Provision for Taxation – Fringe Benefit Tax	( 2.16)
Profit after Taxation	158.52
Balance Brought Forward from the previous year	11.39
Balance available for appropriation	169.91
Transferred to General Reserve	150.00
Balance Carried to Balance Sheet	19.91

### 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.702.52 lacs as against the previous year of Rs.642.23 lacs. Surplus before Interest, Depreciation and Taxation was Rs.220.78 lacs compared to Rs.231.48 lacs for the previous year. Net Profit for the year before Taxation was Rs.213.63 lacs as against profit of Rs.225.71 lacs for the previous year.



## Asiatic Oxygen Ltd.

### **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.

### **CODE OF CONDUCT**

In terms of requirement of Clause 49 of the Listing Agreement, the Company, its Management Personnel and the Members of the Board have complied with the Code of Conduct as laid down by the Board of Directors.

### **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 31<sup>st</sup> March, 2007, 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 31<sup>st</sup> March, 2007 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 Arun Kumar Dalmia and Hari Prasad Kalika 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 21st day of August, 2007

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, 2007.

#### 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, 2007 was Rs. 1.58 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 2006-07 on 21.04.06, 31.07.06, 08.09.06, 25.10.06 and 31.01.07.

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	2	NIL	NIL
Shri A K Kanoria	Non Executive Independent Director	5	YES	3	NIL	NIL
Shri A.C. Mukherji	-do-	5	YES	7	5	4
Shri Sukhendu Ray	-do-	4	NO	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, 2007 four meetings were held on 21.04.06, 31.07.06, 25.10.06 and 31.01.07.

The attendance was as under :

Name of the Director		Meetings attended
Shri Sukhendu Ray	Chairman	4
Shri A.C. Mukherji	Member Director	4
Shri H.P. Kalika	Member Director	4

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

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