



Annual Report & Accounts - 2000

Bombay Oxygen Corporation Ltd.

DIRECTORS :

MR. SHYAM M. RUIA, **Chairman**
MR. IBRAHIM A. RAHIMTOOLA
MR. MOHAN BIR SINGH
MR. AMRIT R. KINI
MR. AJIT M. GHELANI
MR. R. P. KHATOR, **Joint Managing Director**

COMPANY SECRETARY:

MR. RAJKUMAR BIDAWATKA

AUDITORS :

K. G. SHAH & CO.

SOLICITORS :

KANGA & CO.

BANKERS :

THE BANK OF RAJASTHAN LTD.
UNION BANK OF INDIA
BANK OF MAHARASHTRA
BANK OF INDIA
ALLAHABAD BANK
HONGKONG BANK

REGISTERED OFFICE :

L.B.S. MARG
MULUND (W)
MUMBAI 400 080

FACTORIES :

MULUND (MUMBAI), KALWE (THANE),
KHOPOLI, PUNE, NIRA, TARAPUR & NAGPUR

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. 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 FORTIETH 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 Wednesday, the 6th June, 2001 at 11.30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit & Loss Account of the Company for the year ended 31st December, 2000 and the Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares.
3. To appoint a Director in place of Mr. Amrit R. Kini, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint the Auditors and to fix their remuneration.

By Order of the Board of Directors

Registered Office :
L.B.S. Marg, Mulund (W)
Mumbai 400 080.

Mumbai, 6th April, 2001.

RAJKUMAR BIDAWATKA
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 SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Dividend, if sanctioned, will be made payable at the Bank of Rajasthan Ltd., Mumbai and at any of its specified branches in India on or after 15th June, 2001 to those members whose names stand on the Register of Members of the Company on 6th June, 2001.
3. The Share Transfer Books of the Company will remain closed from Friday, 1st June, 2001 to Wednesday, 6th June, 2001 (both days inclusive).
4. The Dividend warrants remaining unpaid (upto 28th Dividend) with the Company have been transferred to General Revenue Account of the Central Government pursuant to the provisions of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have not still encashed their 29th to 34th Dividend warrants are requested to send the same to the Company for revalidation.

Bombay Oxygen Corporation Ltd.**DIRECTORS' REPORT**

Your Directors have pleasure in submitting this FORTIETH ANNUAL REPORT together with the Audited Accounts for the year ended 31st December, 2000.

FINANCIAL RESULTS :

	For the year ended 31st December, 2000 (Rs. in '000)	For the year ended 31st December, 1999 (Rs. in '000)
Profit/(Loss) before depreciation and tax	6592	10675
Provision for depreciation	4931	6772
Provision for taxation	675	2300
Net Profit/(Loss)	986	1603
Excess provision for taxation for earlier years written back (net)	—	582
Transfer from General Reserves	1653	1830
Balance available for appropriation	2639	4015

Appropriations :

Proposed Dividend	1500	1500
Tax on Dividend	153	330
Balance transferred to General Reserve	986	2185
	2639	4015

PERFORMANCE :

Due to a continuous recessionary trend and more particularly sluggishness in the industry, sales for the year under review was Rs. 118,758 thousands as against Rs. 137,517 thousands in the previous year. Supply of gas has been suspended to a major customer, M/s. Mukand Limited for non-payment of the Company's outstanding dues. This has contributed to reduced sales during the year. In spite of these unsatisfactory conditions, the profitability of the Company has not been greatly affected.

DIVIDEND :

Your Directors recommend payment of Dividend of **Rs. 10/-** (Previous Year Rs. 10/-) per equity share in accordance with Companies (Declaration of Dividend out of Reserves) Rules, 1975. The proposed Dividend, if approved, at the Annual General Meeting, will absorb **Rs. 1,653** thousands inclusive of Dividend Tax (Previous year Rs. 1,830 thousands).

DIRECTORS :

Your Director Mr. Amrit R. Kini retires this year by rotation in accordance with the Articles of Association of the Company and, being eligible, offers himself for re-appointment.

Bombay Oxygen Corporation Ltd.

FIXED DEPOSITS :

55 Deposits amounting to Rs. 2,94,000/- due for repayment on or before 31st December 2000 were not claimed by the depositors on that date. As on the date of this report Rs. 1,31,000/- thereof have been claimed and paid.

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 Board of Directors) Rules, 1988 are annexed hereto which form part of this report.

GENERAL :

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

DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors hereby declare :

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed.
- (ii) that the directors had selected such accounting policies and applied them consistently, except the following, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.

During the year, the Company has changed the method of Depreciation from Written Down Value method to Straight Line Method in respect of assets of Tarapur unit. This has resulted into less provision of Depreciation by Rs. 3,883 thousands for the year and correspondingly higher profits to that extent.

- (iii) That the directors had 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 had prepared the annual accounts on a going concern basis.

AUDITORS :

M/s. K. G. Shah & Co., Chartered Accountants, Statutory Auditors of the Company, retire at this Annual General Meeting and being eligible offer themselves for re-appointment.

Mumbai, 6th April, 2001.

On behalf of the Board

S. M. RUIA
Chairman

Bombay Oxygen Corporation Ltd.

ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDING 31ST DECEMBER, 2000.

A. CONSERVATION OF ENERGY :

The Company continues to lay emphasis on the conservation of energy and has been taking several measures like monitoring of consumption, power factor and up-to-date maintenance of all systems. However, due to steep increase in rate of electricity, saving on account of reduction in power consumption were not substantial.

Total energy consumption and energy consumption per unit of production.

The required information is given in prescribed Form 'A'.

B. TECHNOLOGY ABSORPTION :

RESEARCH & DEVELOPMENT

The Company continues to lay emphasis on Research & Development.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION AND BENEFITS DERIVED THEREFROM :

The Company does not have any imported technology. Therefore, the question of its absorption and adaptation does not arise.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

	Rs. in '000
Total Foreign Exchange earned	NIL
Total Foreign Exchange used	4,034

Bombay Oxygen Corporation Ltd.

FORM 'A'

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION :

A. POWER AND FUEL CONSUMPTION :

		Current year	Previous year
1. Electricity :			
(a) Purchase :			
Unit	'000	14066	15987
Total Amount	Rs. '000	61362	68092
Rate		4.36	4.26
(b) Own Generation :			
(i) Through Diesel Generator :			
Unit		NIL	NIL
Units per Ltr. of Diesel Oil		NIL	NIL
Cost/Unit		NIL	NIL
(ii) Through Steam Turbine/Generator :			
Unit		NIL	NIL
Units per Ltr. of Fuel/Gas		NIL	NIL
Cost/Unit		NIL	NIL
2. Coal (specify quantity and where used) :			
Qty. (Tonnes)	}		
Total cost		NIL	NIL
Avg. Rate			
3. Furnace Oil :			
Qty.	}		
Total cost		NIL	NIL
Avg. Rate			
4. Others/Internal Generation (Please give details) :			
Qty.	}		
Total cost		NIL	NIL
Avg./Unit			

5. CONSUMPTION PER UNIT OF PRODUCTION :

Since the Company manufactures various types of Industrial Gases such as Industrial Oxygen, Medical Oxygen, Dissolved Acetylene, Nitrogen, Compressed Air etc., it is impracticable to indicate product-wise unit consumption of electricity.

On behalf of the Board

S. M. RUIA
Chairman

Mumbai, 6th April, 2001.

Bombay Oxygen Corporation Ltd.**AUDITORS' REPORT TO THE MEMBERS OF BOMBAY OXYGEN CORPORATION LIMITED**

We have examined the attached Balance Sheet of Bombay Oxygen Corporation Limited as at 31st December, 2000, and the annexed Profit and Loss Account for the year ended on that date and report that:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 of India and on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of our audit, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, 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 purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet and Profit & Loss Account under report are in agreement with the books of account;
 - (d) in our opinion, the Profit and Loss Account and Balance Sheet comply with the accounting standards specified by the Institute of Chartered Accountants of India, referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) attention is drawn to Note 3 of Schedule 19 relating to change in method of providing depreciation on fixed assets at Tarapur. Consequently, the depreciation charge for the year is lower by Rs. 3,883 (000) and profit for the year is higher to that extent;
 - (f) on the basis of information and explanations given to us, and representations obtained by the Company, there are no directors of the Company who after December 14, 2000, the effective date of the Companies (Amendment) Act, 2000 are disqualified under section 274(1)(g) of the Act from being appointed as directors.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Schedules 1 to 19 attached, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2000
and
- (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

For K. G. SHAH & CO.
Chartered Accountants

K. G. SHAH
Proprietor

Mumbai, Dated: 6th April, 2001.