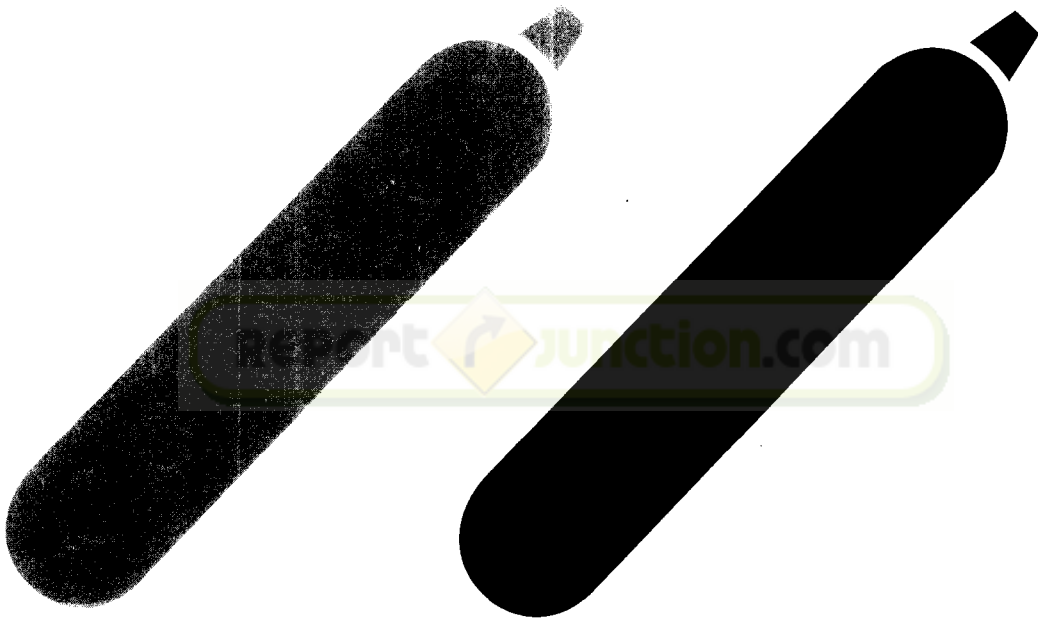


Bombay Oxygen Corporation Ltd.



Annual Report & Accounts - 2004-2005

DIRECTORS :

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

COMPANY SECRETARY :

MR. ARUN S. AGARWAL

AUDITORS :

K. G. SHAH & CO.

SOLICITORS :

KANGA & CO.

BANKERS :

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

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.

NOTICE

NOTICE is hereby given that the 44th ANNUAL GENERAL MEETING of BOMBAY OXYGEN CORPORATION LIMITED will be held on Thursday, the 15th September, 2005 at 11.00 A.M. at Walchand Hirachand Hall, Lalji Naranji Memorial, Indian Merchants' Chamber Building, 76, Veer Nariman Road, Churchgate, Mumbai-400 020 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 March, 2005 and the Balance Sheet as on that date together with the Reports of Directors and Auditors thereon.
2. To declare a dividend on 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 appoint the Auditors and to fix their remuneration.

Registered Office :

L.B.S. Marg, Mulund (W),
Mumbai-400 080.

By Order of the Board of Directors,

ARUN S. AGARWAL
Company Secretary

Mumbai, 30th July, 2005.

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 UTI Bank Limited, Mulund-West, Mumbai - 400 080 and at any of its specified branches in India on or after 19th September, 2005 to those members whose names stand on the Register of Members of the Company on 15th September, 2005.
3. The Share Transfer Books of the Company will remain closed from Saturday, the 10th September, 2005 to Thursday, 15th September, 2005 (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. The Dividend warrants remaining unpaid (up to 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 and unpaid dividend warrants of 29th, 30th and 31st dividend warrants have been transferred to the Investor Education and Protection Fund.
6. The Dividend warrants, Interest warrants and Matured deposits remained unpaid or unclaimed for more than seven years with the Company have been transferred to the Investor Education & Protection Fund of the Central Government pursuant to the provisions of the Investor Education and Protection Fund (Awareness & protection of investors) Rules, 2001. Those shareholders who have not still encashed their 32nd to 38th Dividend warrants and fixed depositors who have not encashed their interest warrants and/or fixed deposits are requested to send the same to the Company for revalidation/repayment of the same.

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

Your Directors have pleasure in submitting this FORTY-FOURTH ANNUAL REPORT together with the Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS :

	For the year ended 31st March, 2005 (Rs. in '000)	For the year ended 31st March, 2004 (Rs. in '000)
Profit before depreciation and tax	156,599	76,331
Provision for depreciation	26,317	16,221
Provision for taxation	16,910	4,925
Provision for Deferred taxation	27,128	20,792
Net Profit	86,244	34,393

Appropriations :

Proposed Dividend	3,000	2,700
Tax on Dividend	421	353
Balance transferred to General Reserve	82,823	31,340
	86,244	34,393

PERFORMANCE :

The 40 TPD Oxygen Liquefier plant at Kalwe was successfully commissioned in the month of March, 2005 and is working satisfactorily along with the 130 TPD Tonnage plant installed last year. The production of all the other units of the Company were also satisfactory during the year. All this has resulted in higher sales and better profitability.

Sales for the year under review was Rs. 42,55,34,212/- as against Rs. 29,56,87,031/- for the previous year. Profit before depreciation and tax during the year was Rs. 15,65,99,112/- as against Rs. 7,63,30,261/- for the previous year.

The Company has incorporated two new companies as its subsidiaries.

DIVIDEND :

Your Directors recommend payment of Dividend of Rs. 20/- (Previous year Rs. 18/-) per equity share. The proposed Dividend, if approved, at the Annual General Meeting, will absorb Rs. 34,20,750/- including Dividend tax [Previous year Rs. 30,52,890/-].

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 and, being eligible, offer themselves for re-appointment.

FIXED DEPOSITS :

21 Deposits amounting to Rs. 2,44,000/- due for repayment on or before 31st March, 2005 were not claimed by the depositors on that date. As on the date of this report, Rs. 1,39,000/- thereof have been claimed and paid.

Bombay Oxygen Corporation Ltd.**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.

GENERAL :

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

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 profit and loss 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, Statutory Auditors of the Company, retire at this Annual General Meeting and being eligible offer themselves for re-appointment.

COMPLIANCE CERTIFICATE :

The Compliance Certificate as required by Section 383A of the Companies Act, 1956 has been obtained from M/s. Bharat V. Pathak & Company – 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, 30th July, 2005.

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 MARCH, 2005.

A. CONSERVATION OF ENERGY :

- (a) The Company has taken measures for conservation of energy by regular maintenance of all plants.
- (b) The Company made adequate arrangements for installation of vacuum lines, liquid pumping system, capacitors, UPS and other energy efficient equipment.
- (c) The measures like monitoring of power consumption, power factor, Time of the day metering and regular maintenance of all systems resulted in saving of power cost.
- (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 Company has commenced production from its imported 40 TPD Oxygen Liquifier plant installed at Kalwe. The main Tonnage Oxygen plant is also imported and it is producing gaseous and liquid oxygen and liquid nitrogen and liquid argon gaseous. The other plants in Company are of indigenous make, producing oxygen and nitrogen in gaseous form.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

	Rs. in '000
Total Foreign Exchange earned	NIL
Total Foreign Exchange used	36,860

Bombay Oxygen Corporation Ltd.**COMPLIANCE CERTIFICATE**

[Under Rule 3 of Companies Compliance Certificate Rules, 2001]

To,
The Members,

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 there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on 31st March, 2005. 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 the Registers as stated in Annexure 'A' to this Certificate, as per the provisions and the rules made thereunder and necessary entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the Rules made there under.
3. The Company being public limited company our comments are not required. The Authorised share capital is Rs. 3,00,00,000/- divided in to 1,50,000 Equity shares of Rs. 100/- each and 1,50,000 Unclassified shares of Rs. 100/- each and paid-up share capital is Rs. 1,50,00,000/- divided in to 1,50,000 Equity shares of Rs. 100/- each.
4. The Board of Directors duly met seven times on 29/04/2004, 29/06/2004, 03/08/2004, 21/09/2004, 14/10/2004, 25/01/2005 and 11/03/2005 in respect of which meetings 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 17th September, 2004 to 21st September, 2004 during the financial year and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial period ended on 31st March, 2004 was held on 21st September, 2004 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in 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 in to any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries 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.
13. The Company has :
 - (i) Delivered all the certificates on lodgement 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 42nd Annual General Meeting in a separate Bank Account on 25/09/2004, 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 stipulated time from the date of declaration and that all unclaimed/unpaid dividend has been transferred to unpaid dividend account of the Company with The Bank of Rajasthan Ltd.
 - (iv) Transferred the amounts in unpaid dividend account, matured 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 the AGM. No additional Directors, alternate Directors and Directors have been made during the year.

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.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Directors, Registrar or such other authorities as may be prescribed under the various provisions of the Acts 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 thereunder.
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 year.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares pending registration of transfer of shares. However transfer of 75001 shares acquired by the acquirer has been under litigation and as directed by Hon'ble Supreme Court of India amount of dividend due for 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 had already sold their shares to acquirer.
23. The Company has complied with the provisions of Section 58A read with Companies (Acceptance of deposit) Rules, 1975/the Applicable directions issued by the Reserve Bank of India/any other authority in respect of deposits accepted by the Company during the period and the Company has filed the copy of advertisement and the required particulars with the Registrar of Companies, Maharashtra. The Company had filed the Return of Deposit with the Registrar of Companies/Reserve Bank of India for the financial year ended 31/03/2004.
24. The Company borrowed from Directors, members, Banks and from others during the financial year ending 31st March, 2005. The said borrowings are within the borrowing limits of the Company as per the Special resolutions passed under Section 293 (1)(d) of the Act in duly convened General Meeting of the members of the Company. During the year, under review, secured loan sanctioned by Canara Bank has not been availed by the Company.
25. The Company has not made any loans or advances or given guarantees or provided securities to 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 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.
31. As informed to us there was no prosecution initiated against or no show cause notices received by the Company for any offences under the Act and no fines and penalties or any other punishment imposed on the Company in such cases.
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 employer's contributions to provident fund with prescribed authorities pursuant to Section 418 of the Act, during the financial year.

For BHARAT V. PATHAK & CO.,
Company Secretary

BHARAT V. PATHAK
Proprietor
C.P.-829/F.C.S.-1234

Mumbai, 30th July, 2005.

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.	Register of Members	150
2.	Register of Debenture holder	152
3.	Registers of Directors	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.	Minute Books of Board of Directors Meeting, AGM/EOGM	—
10.	Register of Nomination of Shareholders	
11.	Register of Investments	372/372A
12.	Register of Charges	

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 31/03/2005.

No.	Form No./ Returns	Section under Act.	Particulars of Documents	Receipt No. & Date of Filing
1.	Annual Return	159(1)	as on 21/09/2004	343823 — 01/11/2004
2.	Balance Sheet Director & Auditors Reports	220(1)	as on 31/03/2004	335082 — 11/10/2004
3.	Compliance Certificate	383A	21/09/2004	335082 — 11/10/2004
4.	No. 32 Appointment of Shri Arun S. Agarwal, Company Secretary	303(2)	18/11/2004	352100 — 29/11/2004
5.	No. 8 & 13 Enhancement of Secured loans from Canara Bank and modification of existing Charge/Mortgage already created by the Company	125	13/01/2005	360543 — 13/01/2005
6.	Return of Deposits	58A	31/03/2004	321069 — 28/06/2004
7.	Statement of Advertisement	58A	03/08/2004	325649 — 06/08/2004

For BHARAT V. PATHAK & CO.,
Company Secretary

BHARAT V. PATHAK
Proprietor
C.P.-829/F.C.S.-1234

Mumbai, 30th July, 2005.