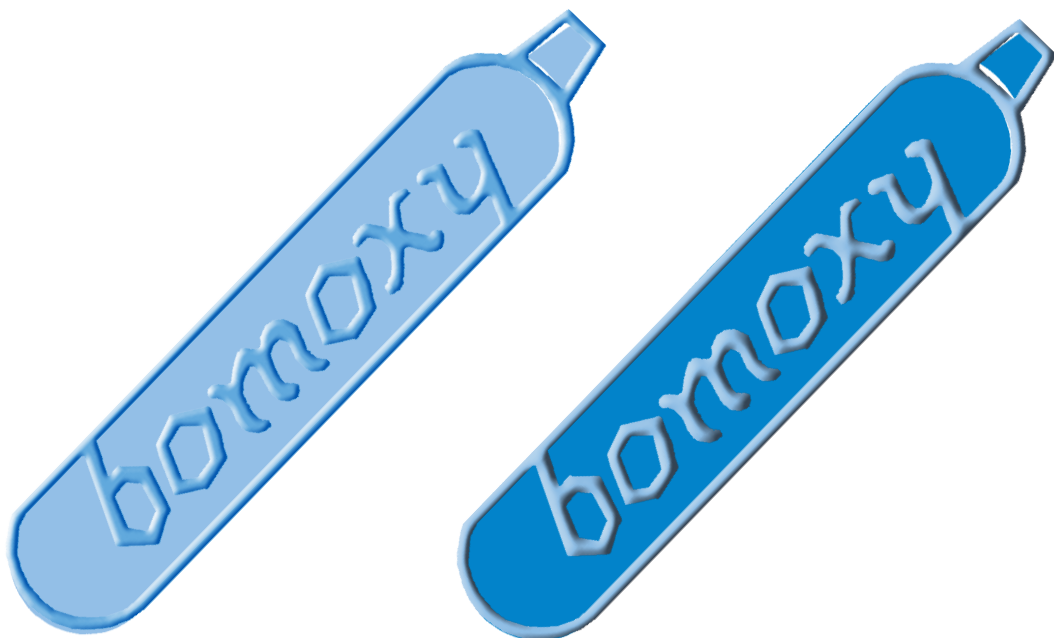


Bombay Oxygen Corporation Ltd.



Annual Report & Accounts - 2014-2015

Bombay Oxygen Corporation Ltd.

Corporate Identity Number – L74999MH1960PLC011835

DIRECTORS :

MR. SHYAM M. RUIA, CHAIRMAN	- DIN 00094600
MR. MOHAN BIR SINGH	- DIN 00192554
MR. NIRMAL P. JHUNJHUNWALA	- DIN 00192810
MR. AMAY S. RUIA	- DIN 00564257
MRS. ARUNA K. KANORIA (w.e.f. 13.11.2014)	- DIN 01269673
MR. ANIL C. KILACHAND (w.e.f. 09.02.2015)	- DIN 02052387
MR. IBRAHIM A. RAHIMTOOLA (upto 19.09.2014)	- DIN 00192896
MR. AJIT M. GHELANI (upto 09.02.2015)	- DIN 00754651

CHIEF FINANCIAL OFFICER :

MR. BHUPESH P. MEHTA

SECRETARY :

MR. BALWANT RAJ JAIN

AUDITORS :

S G C O & CO.
4A, Kaledonia – HDIL,
2nd Floor, Sahar Road,
Near Andheri Station,
Andheri(East),
Mumbai – 400 069.

SOLICITORS :

KANGA & CO.

REGISTERED OFFICE :

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

BANKERS :

CANARA BANK
AXIS BANK LTD.
BANK OF MAHARASHTRA
BANK OF INDIA
ALLAHABAD BANK
HDFC BANK LTD.

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 email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register their email addresses. Members are requested to fill the appropriate columns in the members feedback form (refer page no. 53 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 54th ANNUAL GENERAL MEETING of BOMBAY OXYGEN CORPORATION LIMITED (CIN L74999MH1960PLC011835) 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 10th August, 2015 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Financial Statements for the year ended 31st March, 2015, 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. Amay S. Ruia (DIN 00564257), who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 139 to 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 Messer S G C O & Co. Chartered Accountants, (Firm Registration no. 112081W) be and are hereby reappointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as agreed upon by the Board of Directors and the Auditors, in connection with the audit of accounts of the Company for the financial year ending 31st March, 2016".
"RESOLVED FURTHER THAT Mr. Nirmal P. Jhunjunwala Director of the Company and/or Mr. Balwant Raj Jain, Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

SPECIAL BUSINESS :

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mrs. Aruna K. Kanoria (DIN 01269673) in respect of whom the Company has received a notice in writing from a member along with a deposit of Rupees one lakh under section 160 of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company under the provisions of Section 149 and 152 of the Companies Act 2013".
6. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Anil C. Kilachand (DIN 02052387) in respect of whom the Company has received a notice in writing from a member along with a deposit of Rupees one lakh under section 160 of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company under the provisions of Section 149 and 152 of the Companies Act 2013".

By Order of the Board of Directors,

BALWANT RAJ JAIN
Company Secretary

Registered Office :

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

Mumbai, 28th May, 2015

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 14th August, 2015 to those members whose names stand on the Register of Members of the Company as on 10th August, 2015.

Bombay Oxygen Corporation Ltd.

3. 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.
4. The Share Transfer Books of the Company will remain closed from 4th August, 2015 to 10th August, 2015 (both days inclusive).
5. The shareholders who have not still encashed their 42nd to 47th dividend warrants and fixed depositors who have not encashed their interest warrants and/or who have not claimed their matured fixed deposits are requested to send the interest warrant/discharged fixed deposit receipt dividend warrant to the Company for revalidation/repayment.
6. Voting through electronic means
 1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("e-voting") will be provided by National Securities Depository Limited (NSDL).
 2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by e-voting shall be able to exercise their right at the meeting through ballot paper.
 3. The members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 4. The e-voting period commences on 7th August, 2015 (9:00 am) and ends on 9th August, 2015 (5:00 pm). The e-voting module shall be disabled by NSDL for voting thereafter. During this period members of the Company, holding shares, as on the cut-off date of 3rd August, 2015, may cast their vote by e-voting. Once a vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
 5. The process and manner for e-voting is as under:
 - A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company] :
 - (i) Open the email and open PDF file viz; "e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note down the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Bombay Oxygen Corporation Limited".
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on a resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email to sanjayrd65@yahoo.com with a copy marked to bomoxy@mtnl.net.in

Bombay Oxygen Corporation Ltd.

- B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (E-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast your votes.
6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
7. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
8. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
9. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3rd August, 2015.
10. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 3rd August, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
However, if you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
11. A member may participate in the AGM even after exercising his right to vote through e-voting but shall not be allowed to vote again at the AGM.
12. A person, whose name is recorded in the register of members as on the cut-off date only shall be entitled to avail the facility of e-voting as well as voting at the AGM through ballot paper.
13. Mr. Sanjay R. Dholakia Practising Company Secretary (Membership No. F 2655) has been appointed as Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.
15. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will count the votes cast at the meeting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report, not later than three days of the conclusion of the AGM, of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, who shall countersign the same and declare the result of the voting forthwith.
16. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.bomoxy.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

By Order of the Board of Directors,

BALWANT RAJ JAIN
Company Secretary

Registered Office :

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

Mumbai, 28th May, 2015

ANNEXURE I TO THE NOTICE EXPLANATORY STATEMENT PURSUANT SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT')

Item No 5.

At the meeting of the Board of Directors held on 13th November, 2014 Mrs. Aruna K. Kanoria was appointed as additional director. She was appointed as an Independent director w.e.f. 1st April, 2015 through postal ballot/e-voting process.

Mrs. Aruna K. Kanoria is a graduate in Arts having vast experience in finance and having an in-depth knowledge of the business administration. The Board feels that her knowledge and experience would be of immense value and benefit to the Company and accordingly recommends the Resolution for your approval.

None of the other Directors of the Company is concerned or interested in the said Resolution.

Item No 6.

At the meeting of the Board of Directors held on 9th February, 2015 Mr. Anil C. Kilachand was appointed as additional director. He was appointed as an Independent director w.e.f. 1st April, 2015 through postal ballot/e-voting process.

Mr. Anil C. Kilachand is a Diploma holder in Business studies from Chelmsford College of Higher Education. He is one of the founder of the Tools and Gauge Manufacturing Association (TAGMA) and has been its president for five years, for the period 1992-1997.

His experience of Tooling Industry encompasses 29 years.

He has also been the president of the Federation of Asian Die & Mould Association (FADMA) for five years, for the period 2002-2007.

The Board feels that his knowledge and experience would be of immense value and benefit to the Company, and accordingly recommends the Resolution for your approval.

None of the other Directors of the Company is concerned or interested in the said Resolution.

By Order of the Board of Directors,

BALWANT RAJ JAIN
Company Secretary

Registered Office :

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

Mumbai, 28th May, 2015

Bombay Oxygen Corporation Ltd.

ANNEXURE II TO THE NOTICE

Details of directors seeking appointment/reappointment as required under clause 49 of the listing agreement with the Bombay Stock Exchange.

1. **Mr. Amay S. Ruia**

Mr. Amay S. Ruia, aged 28 years, was inducted in the Company's Board in October 2010 as a Director. He holds a Master degree from the University of Oxford and has experience in business finance & administration.

He holds 50 equity share of ₹ 100/- each and is related to the Chairman of the Company.

Other Directorships :

Raptakos Brett Test Laboratories Limited, Raptakos Brett and Company Limited, KMR Trading Investment Company Private Limited, M. Ramnarain Private Limited, Amaysr Trading and Investment Company Private Limited, Ruia and Company Private Limited, SMR Trading and Investment Company Private Limited, The Reliance Investment Company Private Limited.

Committees :

He is a Member of the Audit Committee, Stakeholder's Committee and Risk Management Committee of the Company.

2. **Mrs. Aruna K. Kanoria**

Mrs. Aruna Kantikumar Kanoria, aged 69 years, was inducted in the Company's Board in November, 2014 as a Director. She is a Graduate in Arts having experience in business administration.

She holds 50 equity share of ₹ 100/- each and is not related to any other Directors of the Company.

Other Directorships :

New India Exports Private Limited, Temple Garment Manufacturing Company Private Limited, Vaidya and Vaidya Traders Private Limited, Horizon Investment Company Limited, Secu Pharma Private Limited, Sunrise Furniture Private Limited, Sparkk Organics Private Limited, Raptakos Brett and Company Limited.

Committees :

She is a Member of the Audit Committee, Stakeholder's Relationship Committee and Nomination and Remuneration Committee.

3. **Mr. Anil C. Kilachand**

Mr. Anil C Kilachand, aged 70 years, was inducted in the Company's Board in February, 2015 as a Director. He is a Diploma holder in Business Studies from Chemsford College of Higher Education. He is one of the founders of Tools and Gauge Manufacturing Association (TAGMA) and has been its President for five years for the period 1992-1997. His experience of the Tooling Industry encompasses 29 years. He has also been the President of the Federation of Asian Die & Mould Association (FADMA) for five years, for the period 2002-2007.

He holds 50 equity share of ₹ 100/- each and is not related to any other Directors of the Company.

Other Directorships :

Stiack Engineering Private Limited, Stiack Technologies Private Limited.

By Order of the Board of Directors,

BALWANT RAJ JAIN
Company Secretary

Registered Office :

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

Mumbai, 28th May, 2015

Bombay Oxygen Corporation Ltd.

DIRECTORS' REPORT

Your Directors have pleasure in submitting this 54th ANNUAL REPORT together with the Audited Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS :

	For the year ended 31st March, 2015 (₹ in '000)	For the year ended 31st March, 2014 (₹ in '000)
Profit before depreciation and tax	1,39,868	7,350
Provision for depreciation	25,782	34,601
Profit/(Loss) before tax	1,14,086	(27,251)
Current Tax	19,200	—
Earlier Period Taxation	—	17
Deferred tax	17,926	(464)

Appropriations :

Transferred from/(to) General Reserve	75,205	(26,804)
Proposed Dividend	1,500	—
Tax on Dividend	255	—

PERFORMANCE :

The 130 TPD tonnage plant at Kalwe has worked satisfactorily but could not be utilized to its full capacity due to less demand by the captive customer and also by the liquid customers. This has hit both prices and quantities and resulted in lower sales and decreased profitability of the Company. Plants at other locations are also working satisfactorily but with the same issues.

During the year under review, sales were ₹ 17,29,29,027/- as against ₹ 18,97,25,623/- for the previous year. Profit before Depreciation and Tax during the year is ₹ 13,98,69,378/- as against ₹ 73,49,826/- in the previous year.

DIVIDEND :

Your Directors recommend the payment of dividend of ₹ 10/- (Previous year NIL) per equity share. The proposed dividend, if approved, at the Annual General Meeting, will absorb ₹ 17,54,925/- including Dividend Distribution Tax (Previous years ₹ NIL)

DIRECTORS :

Your Director Mr. Amay S. Ruia retires this year by rotation in accordance with the Articles of Association of the Company but, being eligible, offers himself for re-appointment.

The Board of Directors had appointed Mrs. Aruna Kantikumar Kanoria and Mr. Anil Chunilal Kilachand as Additional Directors of the Company, with effect from 13th November, 2014 and 9th February, 2015 respectively. Subsequently the said Directors were appointed as Independent Directors under the Companies Act, 2013 for a period of five years with effect from 1st April, 2015. The existing Independent Directors viz. Mr. Mohan Bir Singh and Mr. Nirmal P. Jhunjhunwala were also appointed as Independent Directors under the Act 2013, each for a term of five years with effect from 1st April, 2015.

Bombay Oxygen Corporation Ltd.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Your Director Mr. Ibrahim A. Rahimtoola passed away and Director Mr. Ajit M. Ghelani resigned from the Directorship of the Company during the year. The Board of Directors acknowledge the services rendered by them to the Company with gratitude and place on record their appreciation of the same.

FIXED DEPOSITS :

Total of 8 deposits amounting to ₹ 95,000/- due for repayment on or before 31st March, 2015 were not claimed by the depositors.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars required to be disclosed under the Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, are annexed herewith as "Annexure A".

GENERAL :

The assets of the Company are adequately insured.

CORPORATE GOVERNANCE :

Report on Corporate Governance along with the certificate of the Auditors M/s. S G C O & 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 with this report.

MANAGEMENT DISCUSSION AND ANALYSIS :

(i) Industry Structure and developments :

The substantial excess capacity of industrial gases continues to exist during the year. Due to lower demand most of the large tonnage plants are underutilized. This has led to immense pressure on margins and future development.

(ii) Opportunities, Threats, Risks and Concerns :

Due to a virtually no growth in the gas consuming industries the demand of gases has been badly affected. The cost of production and logistics have been continually increasing with no corresponding increase in the sale price thus affecting our 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.

(iv) Outlook :

The manufacturing sector of the national economy is yet to pick up and therefore, it is difficult to forecast the requirement of gases. We are exploring new markets such as refineries, fertilizers, pharmaceuticals, glass, food processing and the chemical industry. We are also increasing our presence in health care, through 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 therewith.

Bombay Oxygen Corporation Ltd.

(vi) Financial and Operational performance :

	For the year ended 31st March, 2015 (₹ in '000)	For the year ended 31st March, 2014 (₹ in '000)
Sales	1,72,929	1,89,726
Other Income	2,61,291	54,069
Profit before depreciation and tax	1,39,868	7,350
Depreciation	25,782	34,601
Taxes	37,126	(447)
Profit/(Loss) after depreciation and taxes	76,960	(26,804)

(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 normal.

(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 make the following statement in terms of section 134(3) (c) of the Companies Act, 2013 and 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 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 working of the Company for that year;
- (iii) that the Directors have taken proper and sufficient care for 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;
- (v) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

MEETINGS :

During the year six Board Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDITORS :

M/s. S G C O & Co., Chartered Accountants, having Registration No. 112081W, Statutory Auditors of the Company, retire at this Annual General Meeting and being eligible offer themselves for re-appointment. They have confirmed their eligibility under section 141 of the Companies Act, 2013. As required under Clause 49 of the Listing Agreement, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.