

Bombay Oxygen Corporation Ltd.



Annual Report & Accounts - 2016-2017

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	– DIN 01269673
MR. ANIL C. KILACHAND	– DIN 02052387

KEY MANAGERIAL PERSONNEL :

MS. HEMA RENGANATHAN	MANAGER
MR. BHUPESH P. MEHTA	CHIEF FINANCIAL OFFICER
MR. BALWANT RAJ JAIN	SECRETARY

AUDITORS :

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

BANKERS :

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

SOLICITORS :

KANGA & CO.

REGISTERED OFFICE :

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

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. 59 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.

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NOTICE

NOTICE is hereby given that the 56th 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 Wednesday, the 5th July, 2017 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, 2017, 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. Amay S. Ruia (DIN 00564257), who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of Messer S G C O & Co. LLP Chartered Accountants, (Firm Registration no. 112081W/W100184) 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 may be mutually agreed upon by the Board of Directors and the Auditors.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification (s) or re-enactment thereof for the time being in force, approval of the member of the Company be and is hereby accorded to the appointment of Ms. Hema Renganathan (PAN: ABVPR 1180 J) as Manager of the Company, on the terms and conditions herein for a period of two years from 1st July, 2017 to 30th June, 2019 with authority to the Nomination and Remuneration Committee of the Board to alter and vary the remuneration as it may deem fit and to fix the quantum, composition and periodicity of the remuneration payable to the Manager subject to however that the annual remuneration does not exceed the limit approved herein below.

- (a) Remuneration: ₹ 1.17 lakhs (Rupees One Lakhs and seventeen Thousand) per month by way of salary.
- (b) Perquisites and allowances: ₹ 0.06 lakhs (Rupees Six Thousand) per month by way of perquisites and allowances (Excluding the following) :
 - (i) Contribution to provident Fund as per rules of the Company.
 - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to the maximum limit as permissible under the payment of Gratuity Act, 1972.
 - (iii) Leave and encashment of leave as per the rules of the Company.
 - (iv) Medical and Hospitalisation as per the rules of the Company.
- (c) The Company shall pay or reimburse to the Manager all costs, charges and expenses that may be incurred by her for the purpose of or on behalf of the Company.”

“RESOLVED FURTHER THAT in case where in any financial year during the currency of her tenure, the Company has no profits or inadequate profits, Manager shall be paid the minimum remuneration as may be determined by the Nomination and Remuneration Committee which shall also have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.”

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“RESOLVED FURTHER THAT Mr. Nirmal P. Jhunjhunwala 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”.

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, 17th May, 2017

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 relevant explanatory statement for item no. 5 as required under Section 102 (1) of the Companies Act, 2013 is annexed herewith.
3. 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 10th July, 2017 to those members whose names stand on the Register of Members of the Company as on 5th July 2017.
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 Register of Members and Share Transfer Book of the Company will remain closed from 28th June, 2017 to 5th July, 2017 (both days inclusive).
6. The shareholders who have not still encashed their 44th to 49th dividend warrants are requested to send the same to the Company for revalidation.
7. Voting through electronic means :
 1. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and regulation 44 of the Listing Regulations, the Company is pleased to provide members the 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 of voting 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 2nd July, 2017 (9:00 am) and ends on 4th July, 2017 (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 28th June, 2017, 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.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file “e-voting.pdf”.

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- (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 bomoxymtln.net.in

B. In case a member receives physical copy of the Notice of AGM [for the 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
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- (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.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No + Folio No).

- 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 share of the paid up equity share capital of the Company as on the cut-off date of 28th June, 2017.
- 10. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e of 28th June, 2017, 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 toll free no.: 1800-222-990.

- 11. A member may participate in the AGM even after exercising his 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, Practicing Company Secretary (Membership No. FCA 2655) has been appointed as Scrutinizer to scrutinize the voting and e-Voting process in a fair and transparent manner.

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14. The Chairman shall, 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 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 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 of the voting with the report of the Scrutinizer shall be placed on the website of the Company www.bomox.com and on the website of NSDL immediately after declaration of the results 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, 17th May, 2017

Bombay Oxygen Corporation Ltd.

ANNEXURE I TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE ACT)

Item No. 5

The members be informed that the Board of Directors of the Company in its meeting held on 17th May, 2017 has reappointed Ms. Hema Renganathan as Manager of the Company with effect from 1st July, 2017 to 30th June, 2019 pursuant to Section 203 of the Companies Act, 2013 and rules applicable therein. This is subject to approval of members of the Company pursuant to Section 196, 197 and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and rules applicable therein.

Information as required under Section II, Part II of Schedule V of the Companies Act, 2013

I. GENERAL INFORMATION

1. Nature of Industry :

The Company is a manufacturer and supplier of Industrial gases like Oxygen, Nitrogen and Argon in Western India, to various industries like Steel, Pharmaceutical, Glass, Petrochemical and Indian Railways workshops etc.

2. Date of Commencement of Activities :

The Company was incorporated on 3rd October, 1960 and the Certificate of Commencement of Business was dated 3rd October, 1960.

3. Financial Performance of the Company :

(₹ in '000)

Particulars	2016-17	2015-16	2014-15
Operational and other Income	266,448	269,537	434,220
Profit before Depreciation and Tax	68,918	24,800	139,868
Less: Depreciation	26,998	29,596	25,782
Profit before Tax	41,920	(4,796)	114,086
Less: Tax expenses (includes provision for deferred tax asset/liability)	2,820	(8,609)	37,126
Profit after tax	39,100	3,813	76,960

4. Foreign Earnings, investments or collaborations :

NIL

II. Information about the appointee :

1. Background details, Recognition or awards :

Ms. Hema Renganathan is the Manager of the Company. She was appointed as Manager for a term of three years by the Board which is ending on 30th June, 2017.

2. Past Remuneration :

The appointment as Manager has been made at the same Remuneration of ₹ 14.73 lakhs per annum.

3. Job Profile & her Suitability :

She holds a Post Graduation degree in M.Sc. (Physics).
Experience: She has over 37 years of experience.

4. Remuneration Proposed :

- (a) Remuneration : ₹ 1.17 lakhs (Rupees One Lakhs and Seventeen Thousand) per month by way of salary.
- (b) Perquisites and allowances : ₹ 0.06 lacs (Rupees Six Thousand) per month by way of perquisites and allowances (Excluding the following) :

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- (i) Contribution to provident Fund as per rules of the Company.
 - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to the maximum limit as permissible under the payment of Gratuity Act, 1972.
 - (iii) Leave and encashment of leave as per the rules of the Company.
 - (iv) Medical and Hospitalisation as per the rules of the Company.
 - (c) The Company shall pay or reimburse to the Manager all costs, charges and expenses that may be incurred by her for the purpose of or on behalf of the Company.
5. Comparative remuneration profile with respects to industry, size of the Company, profile of the position and person :
- The remuneration is comparable to the remuneration of Manager levels of similar sized Organization.
6. Pecuniary relationship, directly or indirectly, with the Company or relationship with the Key Managerial Personnel, if any :
- Besides the remuneration, Ms. Hema Renganathan does not have any other pecuniary relationship with the Company.

III. Other Information :

Reasons of loss or inadequate profits :

The Business of the Company is highly dependent on the national economic conditions. The global macroeconomic conditions as well as domestic market conditions converge simultaneously to create strong headwinds. There is immense pressure on margins and profitability of the Company.

Steps taken or proposed to be taken for improvement :

The Company has started taking initiatives to improve the business conditions with new ideas and strategies implemented by the Management and foresee better business prospects.

Expected increase in productivity and profits in measurable terms :

The aforesaid steps taken/to be taken by the Company are expected to improve the Company's performance and profitability in the future.

IV. Disclosures :

The details of remunerations and other information is given in the annexure to the Directors Report.

None of the Directors and Key Managerial Personnel of the Company and their relatives are interested financially or otherwise, in the resolution set out at Item No. 5.

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, 17th May, 2017

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ANNEXURE II TO THE NOTICE

Details of Director seeking appointment /reappointment as required under Regulation 36 of the Listing Regulation by SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Mr. Amay S. Ruia

Mr. Amay S. Ruia, aged 30 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.

Committees :

He is a Chairman of the Corporate Social Responsibility Committee and member of the Audit Committee, Stakeholder's Committee and Risk Management Committee of the Company.

By Order of the Board of Directors,

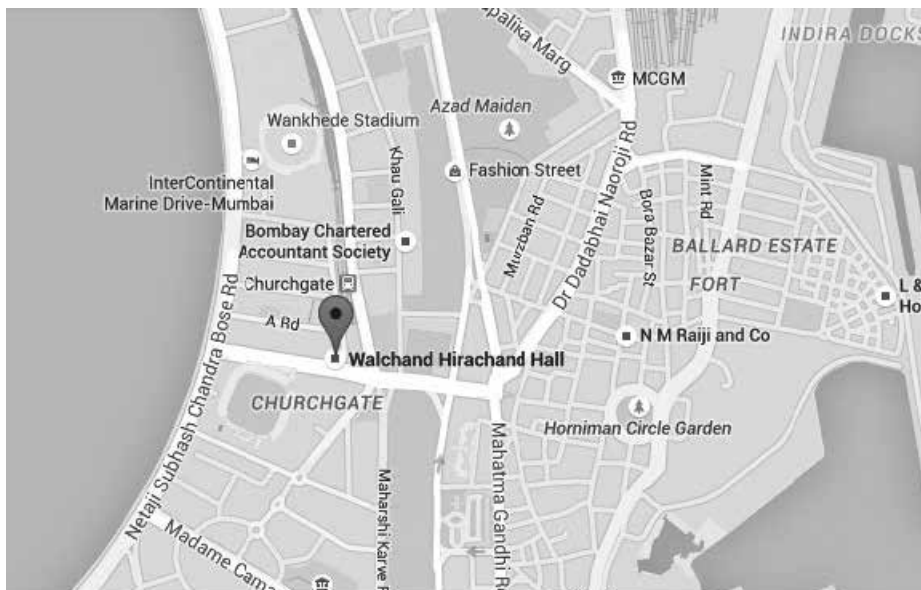
BALWANT RAJ JAIN
Company Secretary

Registered Office :

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

Mumbai, 17th May, 2017

Route Map to the venue of the AGM



Bombay Oxygen Corporation Ltd.

DIRECTORS' REPORT

Your Directors have pleasure in submitting this 56th ANNUAL REPORT together with the Audited Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS :

	For the year ended 31st March, 2017 (₹ in '000)	For the year ended 31st March, 2016 (₹ in '000)
Profit before depreciation and tax	68,918	24,800
Provision for depreciation	26,998	29,596
Profit / (Loss) before tax	41,920	(4,796)
Current Tax	8,200	1,800
Earlier Period Taxation	(2,128)	—
Deferred tax	(3,252)	(10,409)

Appropriations :

Transferred to General Reserve	39,100	2,008
Proposed Dividend	3,000	1,500
Tax on Dividend	611	305

PERFORMANCE :

The 130 TPD tonnage plant at Kalwe worked satisfactorily for 9 months upto December, 2016 but it was not utilized to its full capacity due to less demand of M/s. Mukand Limited. The Agreement with Mukand for the supply of industrial gases through pipelines to its steel plant at Kalwe was terminated by them from 1st January, 2017. The Company is now looking into the possibility of alternative uses for the plant.

During the year under review, sales were ₹ 15,75,25,552/- as against ₹ 17,55,29,042/- for the previous year. Profit before Depreciation and Tax during the year is ₹ 6,89,18,070/- as against ₹ 2,48,00,132/- in the previous year.

DIVIDEND :

Your Directors recommend payment of a dividend of ₹ 20/- (Previous year ₹ 10/-) per equity share. The proposed dividend, if approved, at the Annual General Meeting, will absorb ₹ 36,10,727/- including Dividend Distribution Tax (Previous years ₹ 18,05,364/-)

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.

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.

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

Particulars required to be disclosed under 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.