

National Peroxide Limited



ANNUAL REPORT
2010-2011

AWARDS RECEIVED DURING 2010-2011

NATIONAL ENERGY CONSERVATION AWARD - 2010



Mr. S. R. Lohokare, Managing Director (on right), receiving the Award of the First Prize in Energy Conservation in the Chemical Sector for the year 2010, from Mr. Sushilkumar Shinde, Hon'ble Minister for Power. This Award has been instituted by the Government of India, Ministry of Power.

AWARD FOR EXCELLENCE IN ENERGY CONSERVATION AND MANAGEMENT - 2009



Mr. S. R. Lohokare, Managing Director (in centre), and Prof. M. M. Sharma, Chief Guest, holding the Certificate of Merit conferred by Indian Chemical Council (ICC), for Excellence in Energy Conservation and Management, for the year 2009, flanked by Company Executives and ICC Officials.

More photos on inside back cover



National Peroxide Limited

Annual Report 2010-2011

(Registered — 16th March, 1954)

DIRECTORS (As on 27th April, 2011)

P. V. KUPPUSWAMY (Chairman – upto 27th April, 2011)

K. N. SUNTOOK

NESS N. WADIA (Chairman – w.e.f. 27th April, 2011)

R. N. SETHNA

R. BATRA

J. S. BILIMORIA

D. N. MEHTA

N. P. GHANEKAR (Additional Director – w.e.f. 27th April, 2011)

S. R. LOHOKARE (Managing Director)

COMPANY SECRETARY

S. A. GAIKWAD

BANKERS

STATE BANK OF INDIA

CANARA BANK

SOLICITORS AND ADVOCATES

CRAWFORD BAYLEY & CO.

AUDITORS

S. B. BILLIMORIA & Co.

Chartered Accountants

REGISTERED OFFICE

NEVILLE HOUSE,
J. N. HEREDIA MARG,
BALLARD ESTATE,
MUMBAI - 400 001.

FACTORY

N.R.C. ROAD, P.O. ATALI,
VIA MOHONE,
KALYAN - 421 102,
DIST. THANE,
MAHARASHTRA.

REGISTRAR & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.

UNIT No. 1,
LUTHRA INDUSTRIAL PREMISES,
ANDHERI-KURLA ROAD,
SAFED POOL, ANDHERI (E),
MUMBAI - 400 072.
Tel: 2851 5644 / 2851 5606

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National Peroxide Limited

NOTICE

NOTICE is hereby given that the Fifty-Seventh Annual General Meeting of the Members of NATIONAL PEROXIDE LIMITED will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg (Rampart Row), (Behind Prince of Wales Museum), Mumbai 400 001, on Monday, 8th August, 2011 at 4.00 p.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in the place of Mr. Ness N. Wadia, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Messrs S. B. Billimoria & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Special Business:

5. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:
“RESOLVED THAT the vacancy caused by the retirement by rotation of Mr. R. N. Sethna, who has not sought re-appointment, be not filled in at this meeting or at any adjournment thereof.”
6. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:
“RESOLVED THAT Mr. Nityanath Ghanekar be and is hereby appointed as a Director of the Company whose period of office shall be liable to retirement by rotation.”

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND A PROXY NEED NOT BE A MEMBER. The instruments appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- (b) The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, setting out material facts relating to the Special Business at Item Nos. 5 & 6 of the Notice as set out above, is annexed hereto.
- (c) The Share Transfer Books and the Register of Members of the Company will remain closed from Tuesday, 26th July, 2011 to Monday, 8th August, 2011, both days inclusive.

- (d) (i) The dividend, if any, that may be declared at the Meeting, shall be paid on or after 9th August, 2011 to those shareholders whose names stand on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company's Registrar & Transfer Agents on or before 25th July, 2011, in respect of the shares held in physical form.
- (ii) In respect of the shares held in electronic form, the dividend for the year ended 31st March, 2011 will be payable to the beneficial owners of the shares as at the closing hours of 25th July, 2011, as per the details to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., for this purpose.
- (e) Members are requested to notify immediately any (i) change of address; (ii) change of bank details; (iii) NECS mandate; or (iv) nomination to:
 - (1) their Depository Participants (DPs) in respect of shares held in demat form; and
 - (2) the Company's Registrar & Transfer Agents, Sharex Dynamic (India) Pvt. Ltd., in respect of shares held in physical form, at the following address:

Unit No. 1,
Luthra Industrial Premises
Andheri-Kurla Road, Safed Pool
Andheri (E), Mumbai - 400 072.
Tel: 2851 5644/2851 5606

The aforesaid information should reach Sharex Dynamic (India) Pvt. Ltd. on or before 25th July, 2011, except nomination which can be done at any time.

- (f) Members are requested to refer to the Note on “**Green Initiative**” appended to this Notice.
- (g) The unclaimed dividends for the year ended 31st March, 1994 and previous years, declared by the Company have been transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. Shareholders who have not encashed their dividend warrants for the aforesaid years are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.

Unclaimed dividends for the financial years 1994-95; 1995-96; 1996-97; 2000-01, 2001-02 and 2002-03 were transferred to the Investor Education and Protection Fund (IEPF) as required in terms of Section 205A read with Section 205C of the Companies Act, 1956. No claim shall lie against the IEPF or the Company in respect of the unclaimed/unpaid amount(s) transferred to the IEPF.

In terms of Section 205A read with Section 205C of the Companies Act, 1956, dividends for the years ended 31st March, 2004 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates

of transfer to the unpaid dividend account of the Company are due for transfer to the IEPF. The last dates for claiming unpaid dividends are given in the table below:

Financial Year	Date of Declaration of Dividend	Last Date for Claiming Unpaid Dividend
2003-04	29.07.2004	28.07.2011
2004-05	28.07.2005	27.07.2012
2005-06	28.07.2006	27.07.2013
2006-07	27.07.2007	26.07.2014
2007-08	23.07.2008	22.07.2015
2008-09	21.07.2009	20.07.2016
2009-10	30.07.2010	29.07.2017

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to Sharex Dynamic (India) Pvt. Ltd., at the address given above, quoting their folio numbers/DP ID & Client ID. It may be noted that once the unclaimed/unpaid dividend is transferred to the IEPF as aforesaid, no claim shall lie in respect of such amount(s) by the members.

- (h) Members/Proxies should bring the Attendance Slip sent herein duly filled in for attending the Meeting.
- (i) Members are requested to bring their copy of the Annual Report to the Meeting.
- (j) Members desiring any information/clarification as regards the Accounts are requested to write to the Company at least 10 days before the Annual General Meeting to enable the Management to reply at the Meeting.
- (k) As required in terms of Paragraph IV(G)(i) of Clause 49 of the Listing Agreement, the details of the Director(s) being appointed/re-appointed are furnished below:

1. Mr. Ness N. Wadia

Mr. Ness N. Wadia, 39, was inducted on the Company's Board in March 1997. He has been conferred with the degree of M.Sc. in Engineering Business Management (Warwick University, U.K.).

Mr. Ness N. Wadia has a long association of almost 18 years with The Bombay Dyeing & Mfg. Co. Ltd. (BDMC). Initially he was a Management Trainee and on completion of his training, was appointed as Deputy Manager of the textile mill of BDMC. He took over in due course as Product Manager and thereafter as Marketing Manager of BDMC. He was closely involved in Manufacturing, Marketing, HR Projects and Retail Distribution of the Textile Division of BDMC. Mr. Ness N. Wadia was the Jt. Managing Director of BDMC upto March 31, 2011, and was thereafter appointed as Managing Director of The Bombay Burmah Trading Corporation Ltd. w.e.f. April 1, 2011.

Mr. Ness N. Wadia was awarded the Rotary Medal of Honour for Bravery in 1980-81.

Mr. Ness N. Wadia is not related to any of the other Directors. He does not hold any shares of the Company.

Other Directorships: The Bombay Dyeing & Mfg. Co. Ltd., Gherzi Eastern Ltd., Virtual Education Network Pvt. Ltd., Proline India Ltd., Go Airlines (India) Ltd., KPH Dreams Cricket Pvt. Ltd., Britannia Industries Ltd., The Bombay Burmah Trading Corporation Ltd. (Managing Director), Go Investments & Trading Ltd.

Committee Memberships: Finance Committee of The Bombay Dyeing & Mfg. Co. Ltd.

2. Mr. Nityanath Ghanekar

Mr. Nityanath Ghanekar, 65, is a fellow member of the Institute of Chartered Accountants of India. He was a Partner with PricewaterhouseCoopers and Ernst & Young till 2007. He was Managing Director of JM Financial Asset Management Pvt. Ltd. till June 2009.

As a partner of global accounting firms, he has extensive well rounded experience of more than three decades in various areas like Finance, Regulators, Advisory and Taxation.

Over these years he has advised Corporate on Inbound and Outbound investments, Establishment of Joint Ventures, Mergers/Demergers/Acquisitions and Business Re-organisations, Due Diligences etc. This advisory service has been across industries like Telecom, Insurance, Automobiles, FMCG, Pharmaceutical, NBFC, Brokerages, etc.

He worked extensively within finance and investment fields. He also worked in various aspects of taxation like inbound and outbound investments, Transfer pricing and Regulatory approvals like FIPB, IRDA, etc.

Mr. Nityanath Ghanekar is not related to any of the other Directors. He does not hold any shares of the Company.

Other Directorships: LIC Nomura Mutual Fund Trustee Company Pvt. Ltd., Orbis Capital Limited and Orbis Financial Corporation Ltd.

Committee Memberships: Audit Committee and Remuneration Committee of Orbis Financial Corporation Ltd.

By Order of the Board of Directors
For NATIONAL PEROXIDE LIMITED

SATISH GAIKWAD
Company Secretary

Registered Office:

Neville House
J. N. Heredia Marg
Ballard Estate
Mumbai - 400 001

Mumbai, 27th April, 2011



ANNEXURE TO THE NOTICE

Explanatory Statement as required under Section 173 of the Companies Act, 1956

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned under Item Nos. 5 & 6 of the accompanying Notice of the Annual General Meeting, dated 27th April, 2011:

Item No. 5

Mr. R. N. Sethna retires by rotation at this Annual General Meeting of the Company. However, he has intimated to the Company that he does not seek re-appointment. The Company does not propose to fill up this vacancy at this meeting or any adjournment thereof, but may do so at a later date. Hence, as required by Section 256 of the Companies Act, 1956, a Resolution is proposed not to fill up the vacancy caused by the retirement of Mr. R. N. Sethna at this meeting or any adjournment thereof.

None of the Directors, other than Mr. R. N. Sethna, may be considered to be concerned or interested in the said Resolution.

The Directors commend the Resolution at Item No. 5 for approval by the Members.

Item No. 6

Mr. Nityanath Ghanekar was appointed as an Additional Director on the Board of the Company with effect from 27th April, 2011, pursuant to Section 260 of the Companies

Act, 1956 ("the Act"), read with Article 137 of the Articles of Association of the Company. Mr. Ghanekar holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Act, from a Member, proposing Mr. Ghanekar as a Director of the Company along with a deposit of ₹ 500/- which will be refunded to such Member, if Mr. Ghanekar is elected as a Director.

The services of Mr. Ghanekar will be useful to the Company. The Directors, therefore, commend that he be appointed as a Director of the Company.

None of the Directors, other than Mr. Ghanekar, may be considered to be concerned or interested in the said Resolution at Item No. 6.

By Order of the Board of Directors
For NATIONAL PEROXIDE LIMITED

SATISH GAIKWAD
Company Secretary

Registered Office:

Neville House
J. N. Heredia Marg
Ballard Estate
Mumbai - 400 001

Mumbai, 27th April, 2011

GREEN INITIATIVE

Regarding Service of Documents to Shareholders by e-mail

The Ministry of Corporate Affairs ('MCA') has now expressly permitted Companies to effect service of documents on shareholders through the electronic mode by giving each shareholder an opportunity to register with the Company his/her e-mail address.

We, therefore, plan to send documents such as the Annual Report, notices of general meetings, circulars and postal ballot notices by e-mail to those shareholders whose e-mail IDs are available with us.

MCA has clarified that service of documents on shareholders through e-mail will constitute sufficient compliance with Section 53 of the Companies Act, 1956.

In view of the above, should you desire to receive documents from the Company through the electronic mode, please intimate/update your e-mail IDs to:

- (1) Your Depository Participants (DPs) in respect of shares held in demat form; and

- (2) The Company's Registrar & Transfer Agents, in respect of shares held in physical form, either by sending e-mail at naperol@sharexindia.com or sending a letter duly signed by first/sole holder, quoting the full name and folio to the following address:

Sharex Dynamic (India) Pvt. Ltd.
(NATIONAL PEROXIDE LTD.)
Unit No. 1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072.
Tel: 2851 5644 / 2851 5606

You may, however, change your instructions at any time and request us to send you the documents in the physical form only.

The documents that we propose e-mailing you will also be available for ready access on our website www.naperol.com.

We trust, as a responsible citizen, you will join us in our initiative to conserve our environment through the curtailment of consumption of paper.

DIRECTORS' REPORT TO THE MEMBERS

The Directors take pleasure in presenting their Report on the business and operations of the Company and the Financial Accounts for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

	For the year ended 31st March, 2011 (₹ in lacs)	For the year ended 31st March, 2010 (₹ in lacs)
Gross Turnover (net of excise)	18,163.11	12,190.56
Profit before Interest & Depreciation	9,511.06	3,364.04
Less: Interest	75.84	127.40
Profit before Depreciation	9,435.22	3,236.64
Less: Depreciation	840.96	830.83
Profit before Tax	8,594.26	2,405.81
Less: Provision for Tax:		
– Current Tax	2,872.00	825.00
– Deferred Tax	(66.00)	(39.29)
– Excess provision of Taxes for prior years	(4.01)	—
Profit after Tax	5,792.27	1,620.10
Balance brought forward from previous year	5,646.45	4,861.22
AMOUNT AVAILABLE FOR APPROPRIATIONS	11,438.72	6,481.32
Appropriations:		
Proposed Dividend	689.64	574.70
Corporate Dividend Tax	91.79	97.67
Transfer to General Reserve	579.50	162.50
Balance carried to Balance Sheet	10,077.79	5,646.45
	11,438.72	6,481.32

YEAR IN RETROSPECT

The gross sales and other income for the year under review were ₹ 18,488 lacs as against ₹ 12,251 lacs for the previous year registering an increase of 51%. The profit before tax was ₹ 8,594 lacs (after interest and depreciation charges of ₹ 917 lacs) and the profit after tax was ₹ 5,792 lacs for the year under review as against ₹ 2,406 lacs and ₹ 1,620 lacs respectively, for the previous year, both up by 257%.

The Company deferred the annual shutdown to April 2011 to coincide with the shutdown required for expansion. This along with a buoyant market enabled the Company to achieve a record profit during the year.

2. DIVIDEND

Considering the Company's performance, the Board of Directors recommends a dividend of ₹ 12/- per equity share of ₹ 10/- each for the year ended 31st March, 2011 to be paid, if declared by the members at the Annual General Meeting to be held on 8th August, 2011.

3. OPERATIONS

During the year under review, the Company produced 71,826 MT of Hydrogen Peroxide (H₂O₂), as compared to 64,451 MT during the previous year. This is the highest ever production in the history of the Company.

The Company's record sales of 66,806 MT of H₂O₂, during the year under review, show an improvement over the 65,662 MT sold during the previous year. The higher demand in the market enabled better prices for H₂O₂, resulting in increased profits for the year. The Company continues to maintain its prime position in the market and held 36% market share during the year.

3.92 Million Cubic Meters (MCM) of Hydrogen Gas (H₂) were also sold during the year, as against 4.04 MCM during the previous year. Sales of H₂ were marginally lower as compared to the previous year, due to higher captive consumption.

During the year, the Company received ₹ 133.88 lacs by way of dividend from its wholly owned subsidiary, Naperol Investments Ltd., which is of non-recurring nature. Since the Company became debt free, a large quantum of cash surplus was available and the same was invested in Fixed Deposit, ICD and Debt-linked Mutual Funds. The interest & dividend income on account of such investments amounts to ₹ 127 lacs. As a result the other income of the Company was ₹ 325 lacs as against ₹ 60 lacs in previous year. The Profit After Tax increased from ₹ 1,620 lacs to ₹ 5,792 lacs.

During the year, the Company's expansion project from 68 KTPA to 84 KTPA made great strides. The Company has undertaken the shutdown of the plant on 11th April, 2011 to integrate the additional capacity. The shutdown is expected to be for a period of 50 days and the plant is expected to come back on stream by 1st June, 2011. The stock of Hydrogen Peroxide increased by 5,020 MT during the year, to meet the requirements of the customers during this shutdown period.



National Peroxide Limited

As a result of growing demand, the Company decided to further increase its production capacity to 95 KTPA. The increased capacity is expected to be available by April 2013.

The price of crude oil had risen significantly by the end of the year. However, since your Company has a long term Gas Sale Agreement entered with GAIL (India) Ltd., it had a marginal impact on the cost of production.

The Company entered into a long term settlement with the Workmen's Union on 3rd November, 2010 which will expire on 31st March, 2013. Industrial relations continued to be cordial during the year.

4. AWARDS AND RECOGNITION

The Company received the following awards during the year 2010-11:

(a) *'National Energy Conservation Award'*

First Prize in Energy Conservation in the Chemical Sector for the year 2010 awarded by Government of India, Ministry of Power.

(b) *'Excellence in Energy Conservation and Management'*

Certificate of Merit conferred by Indian Chemical Council towards excellence in energy conservation and management for the year 2009.

(c) *'Certificate of Excellence'*

Certificate of Excellence awarded by Inc. India 500, a 9.9 Media Initiative, during their Second Annual Inc. India 500 Awards, in recognition of exemplary growth and sustainable success.

These awards are in recognition of serious efforts made by the Company in various aspects of its business.

5. INSURANCE

All the properties of the Company, including buildings, plant and machinery, stocks and materials have been adequately insured. The Company also has a public liability insurance policy as per the Public Liability Insurance Act, 1991.

6. FIXED DEPOSITS

There are no outstanding or unclaimed deposits as on 31st March, 2011. The Company does not accept fresh deposits at present.

7. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Ness N. Wadia retires by rotation and being eligible, offers himself for re-appointment.

Mr. R. N. Sethna, who has been associated with the Company since 2003, retires by rotation at the forthcoming Annual General Meeting. However, he has intimated to the Company that he does not seek re-appointment. The Directors place on record their appreciation of the valuable contribution made by Mr. Sethna during his long association with the Company. The Directors are of the view that the vacancy on the Board of Directors of the Company, so created, be not filled at present.

Mr. Nityanath Ghanekar was appointed as Additional Director, w.e.f. 27th April, 2011. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from a member proposing his appointment as Director. Mr. Ghanekar, with his experience and knowledge, would be an advantage to the Company.

Mr. P. V. Kuppuswamy vacated the post of Chairman of the Board of Directors of the Company w.e.f. 27th April, 2011. He, however, continues to be a Director of the Company. The Directors wish to place on record their appreciation of the valuable service rendered by him to the Company, as Chairman. Mr. Ness N. Wadia has been elected as the Chairman of the Board, w.e.f. 27th April, 2011.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 ('the Act'), the Directors, based on the representations received from the Operating Management, confirm that –

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii. they have, in selection of accounting policies, consulted the statutory auditors 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 as at 31st March, 2011 and of the profit of the Company for the year ended 31st March, 2011;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the Annual Accounts on a going concern basis.

9. CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance in terms of Clause 49 of the Listing Agreement, with the Bombay Stock Exchange Limited have been complied with.

A separate report on Corporate Governance is being incorporated as a part of the Annual Report along with a Certificate from a Practicing Company Secretary, regarding compliance of the conditions of Corporate Governance, which is annexed to the Directors' Report.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed as Annexure A.

11. CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

The details on climate change and greenhouse gas emissions are annexed as Annexure B.

12. CORPORATE SOCIAL RESPONSIBILITY

The Company along with Rotary Club of Mumbai, Shivaji Park and Larsen & Toubro Medical Centre, conducted two camps at Wada, Dist. Thane, Maharashtra for providing medical help to pregnant women and to children suffering from malnutrition.

13. SUBSIDIARY COMPANY

As required under Section 212 of the Companies Act, 1956, the accounts of Naperol Investments Limited, wholly-owned subsidiary of the Company, are appended.

14. CONSOLIDATED FINANCIAL STATEMENTS

As required by Accounting Standard 21, 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, the audited Consolidated Financial Statements are annexed.

15. PARTICULARS OF EMPLOYEES

The information in terms of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, which forms part of this Report, is appended.

16. AUDITORS

Members are requested to appoint M/s. S. B. Billimoria & Co., Chartered Accountants, as Auditors for the current year at a remuneration to be fixed by the Board of Directors.

17. COST AUDITORS

The Company had appointed M/s. N. I. Mehta & Co., Cost Accountants, as the Cost Auditors to carry out the audit of the cost accounts of the Company relating to industrial gases for the financial year ended on 31st March, 2011. The Cost Audit Report for 2009-10 was filed on 16th September, 2010, before the due date of 27th September, 2010.

18. ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation to the Customers, Vendors, Bankers, Shareholders, Central and State Governments and Regulatory Authorities for their continued co-operation and support.

Your Directors also take this opportunity to acknowledge the dedicated efforts made by employees for their contribution to the success achieved by the Company.

On behalf of the Board of Directors

P. V. KUPPUSWAMY
Chairman

Registered Office:

Neville House,
J. N. Heredia Marg,
Ballard Estate,
Mumbai - 400 001.

Mumbai, 27th April, 2011



Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

(a) Measures Taken:

Several measures for conservation of energy were undertaken during the year. Some of the key measures are highlighted as under:

- Replaced old H.T. cooling water pump with new energy efficient pump.
- Replaced old Package Air-Conditioner (PAC) unit for Control Room with new energy efficient PAC unit.
- Replaced old window Air-Conditioner units with 3 Star Rating units.
- Replaced 6 units of 70 watt Sodium Vapour street light fittings with 24 watt LED light fittings for Administration Building.

These measures, along with the measures taken during the last year, have resulted in significant reduction in energy consumption. In addition, leakages of solvents were significantly reduced by close monitoring.

(b) Additional Investments & Improvements: Total expenditure of ₹ 14.50 lacs was incurred during the year on various energy conservation measures.

(c) Impact of (a) and (b):

Results from various measures taken were seen by way of reduced power consumption during the year.

(d) Total energy consumption & energy consumption per unit of production:

FORM A

A. POWER AND FUEL CONSUMPTION

	2010-11	2009-10
1. Electricity		
a. Purchased:		
Units (KWH)	2,74,33,200	2,46,96,150
Total Amount (₹ lacs)	1,518.70	1,238.61
Rate/Unit (₹/KWH)	5.54	5.02
b. Own Generation:		
(i) Through diesel generator Units (KWH)	27,400	10,976
Units/litre of diesel oil (KWH)	2.91	3.05
Cost of diesel/Unit (₹/KWH)	13.67	12.95
(ii) Through steam turbine/ generator	Not Applicable	
2. Coal	Not Applicable	
3a. Furnace Oil		
Quantity (MT)	85.20	971.66
Total amount (₹ lacs)	22.73	214.87
Average rate (₹/MT)	26,686.18	22,114.06
3b. Natural Gas		
Quantity (MMBTU)	92,598.00	43,689.33
Total amount (₹ lacs)	351.87	155.76
Average rate (₹/MMBTU)	380.00	356.52
4. Other/Internal Generation	Not Applicable	