

OXIDES AND  
SPECIALITIES LIMITED

**27<sup>th</sup>**

ANNUAL REPORT

2013 - 2014

**BOARD OF DIRECTORS**

Brijmohan Rath

Director

V.B. Dalal

Director

Sangeeta Rath

Director

**FINANCE CONTROLLER**

Prakash Selot

**STATUTORY AUDITORS**

BKG &amp; Associates,

Chartered Accountants,

Mumbai

**REGISTERED OFFICE**

F/1, MIDC Area, Lote Parshuram,

Taluka Khed,

Dist Ratnagiri (Maharashtra) – 415722

**CORPORATE OFFICE**

R-802, T.T.C Industrial Area, Thane-Belapur Road,

Mahape, Navi Mumbai - 400701

**REGISTRARS AND SHARE TRANSFER AGENT**

Bigshare Services Private Limited

E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka

Andheri (East), Mumbai - 400072

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<b>OXIDES AND SPECIALITIES LIMITED</b>
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## **NOTICE**

**NOTICE** is hereby given that the Twenty Seventh Annual General Meeting of the Shareholders of **OXIDES AND SPECIALITIES LIMITED** will be held on Friday 26<sup>th</sup> September 2014 at 10.00 A.M. at the Registered Office of the Company situated at F/1, MIDC Area, Lote Parshuram, Taluka Khed, Dist Ratnagiri (Maharashtra) – 415722 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2014 and Audited Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors' and the Auditors' thereon.
2. To consider and, if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution**:  
  
"RESOLVED THAT pursuant to the provisions of Section 139 (1) of the Companies Act, 2013, M/s BKG & Associates, Chartered Accountants, the retiring auditors of the company, be and are hereby re-appointed to hold office, from the conclusion of ensuing Annual General Meeting to the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Board with the mutual consent of the auditors."
3. To appoint a director in place of Mrs. Sangeeta Rathi, who retires by rotation and being eligible offers herself for reappointment

### **SPECIAL BUSINESS:**

4. To consider and if thought fit to pass with or without modification(s) the following as an **Ordinary Resolution**:  
  
"RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Mr. V. B. Dalal (DIN: 00247971), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office up to five consecutive years till the conclusion of the Annual General Meeting to be held in the year 2019 and is not liable to retire by rotation."
5. To consider and if thought fit to pass with or without modification(s) the following as an **Ordinary Resolution**:  
  
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Abhay N. Manudhane

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(DIN: 03085469) be and is hereby appointed as a Independent Director of the Company to hold office up to five consecutive years till the conclusion of the Annual General Meeting to be held in the year 2019 and is not liable to retire by rotation."

### NOTES:

- i. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
- ii. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf of the meeting.
- iv. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
- v. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
- vi. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- vii. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays, between 10 a.m. and 1 p.m. upto the date of the meeting.
- viii. The Company has notified closure of Register of Member and Share Transfer Books from Tuesday, 23<sup>rd</sup> September, 2014 to Thursday, 25<sup>th</sup> September, 2014 (both days inclusive).
- ix. Non-Resident Indian Members are requested to inform the Company's Registrar and Transfer Agents, M/s. Bigshare Services Private Limited, immediately of:
  1. The change in the residential status on return to India for permanent settlement;
  2. The particulars of the Bank Account maintained in India with complete name, branch, and account type, account number and address of Bank with Pin Code Number, if not furnished earlier.
- x. Consequent upon the introduction of Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debenture) Rules 2014, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders

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desirous of making nominations are requested to send their requests in Form SH-13 (which will be made available on request) to the Registrar and Transfer Agent, M/s. Bigshare Services Private Limited.

**By Order of the Board  
For Oxides and Specialities Limited**

**Place : Navi Mumbai  
Date : 13<sup>th</sup> August, 2014**

**Brijmohan Rathi  
Director**

**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 4**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. V. B. Dalal, as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Board of Directors has recommended the appointment of the director as Independent Director to hold office up to five consecutive years till the conclusion of the Annual General Meeting to be held in the year 2019.

Mr. V. B. Dalal, non-executive director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, the director fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of director as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

**ITEM NO. 5**

The Board of Directors has recommended the appointment of Mr. Abhay N. Manudhane as Independent Director to hold office up to five consecutive years till the conclusion of the Annual General Meeting to be held in the year 2019.

Mr. Abhay N. Manudhane has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, the director fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of director as Independent Directors is now being placed before the Members for their approval.

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The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

**By Order of the Board  
For Oxides and Specialities Limited**

**Place : Navi Mumbai  
Date : 13<sup>th</sup> August, 2014**

**Brijmohan Rathi  
Director**

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### DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure in presenting the 27<sup>th</sup> Annual Report together with Statement of Accounts for the financial year ended March 31, 2014

#### 1. FINANCIAL HIGHLIGHTS (₹ in Lacs)

PARTICULAR	Year ended 31.03.2014	Year ended 31.03.2013
Sales	0.00	0.00
Other Income	0.00	0.00
Profit /(Loss) Before Depreciation and Tax	(22.66)	(27.17)
Add : Depreciation	(32.35)	(32.35)
Profit /(Loss) Before Tax	(55.01)	(59.52)
Less: Tax 0	0	
Profit/(Loss) after Tax	(55.01)	(59.52)
Balance of (loss) brought forward from previous year	(3124.51)	(3064.99)
Balance Carried to P & L Appropriation A/c	(3179.52)	(3124.51)

#### 2. OPERATIONS AND PRODUCTION

During the year under review, the Company could not recommence the production as envisaged, due to very high cost of raw materials and severe financial constraint. Presently all production related activities are suspended. We have reduced the work force to keep the cost at minimum.

#### 3. DIVIDEND

In view of the continuing losses your Directors regret that they cannot recommend dividend for the year.

#### 4. FIXED DEPOSIT

The Company has not accepted any Fixed Deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under during the year under review.

#### 5. BIFR RELATED UPDATES

The Draft Rehabilitation Scheme (DRS) submitted by the Company is pending with the Hon'ble BIFR for its approval.

#### 6. FUTURE BUSINESS PLANS OF THE COMPANY

In view of the unviable situation of existing products namely MIO and Ferrous



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Fumarate, the Company is planning to diversify to other products such as dyes and intermediates.

Efforts are being made to utilize the plant facilities as well as equipment of this plant for production of dyes and intermediates. We have initiated actions to augment these facilities by addition of some more reactors, filters, and some balancing equipments, so that the combined facilities thus created would be utilized for production of Dyes and Intermediates.

For cost effective production of Yellow Pigment we have identified new source, which will reduce and optimize cost of production.

The Company is in process of arranging long term funds as well as funds for working capital. The company is trying its best to restart the operations of the Company as early as possible.

### 7. DIRECTORS

The Board of Directors has recommended the appointment of Mr. V.B Dalal and Mr. Abhay N. Manudhane as an Independent Director in terms with the provisions of section 149 of the Companies Act 2013. Mr. V.B Dalal has served on the Board for last several years

In terms of the provisions of Sections 152 of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Sangeeta Rathi, Director of the Company retires at the ensuing Annual General Meeting and, being eligible, offers herself for reappointment.

The particulars of Director seeking re-appointment as required under Clause 49 of the Listing Agreement executed with the Stock Exchange has been given under the Corporate Governance Section of this Report.

### 8. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibilities Statement, it is hereby confirmed that:

- i) in the preparation of accounts for the period ended 31<sup>st</sup> March, 2014, the applicable Accounting Standards have been followed and there are no material departures;
- ii) the selected Accounting Policies are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the year end and profit and loss account of the Company for that period;
- iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- iv) the accounts have been prepared on a going-concern basis.

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### 9. AUDITORS AND AUDITORS' REPORT

M/s B K G & Associates, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and they are eligible for the reappointment.

### 10. COST AUDIT

M/s C. G. Pampat & Co, Cost Accountants, Mumbai have been appointed as the Cost Auditors of the Company for the financial year 2014-15.

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

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is attached as Annexure A

### 12. CORPORATE GOVERNANCE

Pursuant to Clause 49 of Listing Agreement with BSE Limited, Management Discussion and Analysis, a report on Corporate Governance and Certificate from the Auditors of the Company regarding compliance of the condition of corporate governance by the Company is attached to this Annual Report.

Further, a declaration signed by the member of the Board affirming compliance with the Code of Conduct by all Board members and Senior Management Personnel is attached to this report.

### 13. LISTING WITH STOCK EXCHANGE

The Equity Shares of the Company are listed with the BSE Limited. The application for revocation of Suspension of trading is pending with the Exchange.

### 14. DEMATERIALISATION OF SHARES

Company has the facility to dematerialise its shares with both depositories viz. CDSL and NSDL.

### 15. PERSONNEL

During the year under review, there were no employees receiving remuneration of or in excess of limits prescribed as per the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### 16. ACKNOWLEDGEMENTS

Your directors express their thanks and appreciation for the Cooperation they received from various Government authorities. The Directors also wish to thank and place on record its appreciation for all the employees of the Company.

**For and on behalf of the Board**

Place : Navi Mumbai  
Date : 13<sup>th</sup> August, 2014

Brijmohan Rath  
Director

V.B.Dalal  
Director