

# National Oxygen Limited

## BOARD OF DIRECTORS

**Shri. G.N. SARAF**  
Chairman & Managing Director

**Smt. VEENA DEVI SARAF**

**Shri. RAJESH KUMAR SARAF**  
Joint Managing Director

**Shri. P. SIVA**

**Dr. D.M. MOHUNTA**

**Shri. ANIL SETH**

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## REGD. & ADMINISTRATIVE OFFICE

80, (Old No.141), Greams Road, Chennai 600 006.  
Phones : (044) 28290707 Fax : (044) 28290770  
E-mail: contact@nolgroup.com  
Website : www.nolgroup.com

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## FACTORIES

1. Trichy - Pudukkottai Road, Mathur - 622515. Tamil Nadu.      2. Pondy - Villupuram Road, Thiruvandar Koil, Pondicherry - 605 102.      3. R-5, SIPCOT Industrial Growth Centre Perundurai, Erode 638 052, Tamil Nadu
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## REGISTRAR AND SHARE TRANSFER AGENTS

CAMEO CORPORATE SERVICE LIMITED

"Subramanian Buildings", 1, Club House Road, Chennai-600 002. Phone: 28460390.

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### AUDITORS M/s.

SINGHI & CO.,

Chartered Accountants

1, Philips Street, IInd Floor, Chennai - 600 001.

### COST AUDITORS

M/s. Sivasubramanian & Co.,  
Cost Accountants

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## BANKERS

Punjab National Bank

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**NOTICE TO THE SHAREHOLDERS**

**NOTICE** is hereby given that the 39th Annual General Meeting of National Oxygen Limited will be held at Hotel Kanchi, 28, Ethiraj Salai, Egmore, Chennai 600 008 on Friday, 12th day of September, 2014 at 09.30 a.m. to transact the following business.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended March 31, 2014, the Balance sheet as on that date and the reports of the Auditors and Directors thereon.
2. To appoint a Director in the place of Smt. Veena Devi Saraf, who retires from office by rotation and being eligible offers herself for reappointment.
3. To appoint M/s. Singhi & Co., (Firm Regn. No 302049E) Chartered Accountants as statutory auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the forty second AGM and to fix their remuneration and to pass the following resolution thereof.

**“RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee, M/s. Singhi & Co., (Firm Regn. No 302049E) Chartered Accountants, be and are hereby appointed as the auditors of the company, to hold office from the conclusion of this AGM to the conclusion of the forty second AGM and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors.”

**SPECIAL BUSINESS**

4. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification thereof for the time being in force) read with Schedule IV to the Companies Act 2013, Mr. Perumal Siva (holding DIN 00007475) Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an independent Director of the Company to hold office upto 31st March 2019, not liable to retire by rotation.”

5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of Section 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under ( including any statutory modification thereof for the time being in force ),read with Schedule IV of the Companies Act 2013 Mr Anil Kumar Seth (holding DIN 00832674), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director , be and is hereby appointed as an independent Director of the Company to hold office upto 31st March 2019, not liable to retire by rotation.”

6. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of Section 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under ( including any

statutory modification thereof for the time being in force ),read with Schedule IV of the Companies Act 2013 Mr. Devmohan Mohunta (holding DIN 01233780), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director , be and is hereby appointed as an independent Director of the Company to hold office upto 31st March 2019, not liable to retire by rotation.”

**7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution**

“**RESOLVED** that pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business, shall not be in excess of Rs. 100 Crores (Hundred crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

**8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution**

“**RESOLVED** that pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to mortgage and / or charge, in addition to the mortgages and / or charges created / to be created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the movable and / immovable, tangible and / or intangible properties of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the Company availed / to be availed by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures or bonds or other debt instruments issued / to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, liquidated damages, commitment charges, all other costs, charges and expenses and all other monies payable by the company in terms of loan agreement(s) or any other document entered into / to be entered into between the company and the lender(s) in respect of the said loans / borrowings and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and the lender(s).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalise, settle and execute such documents / deed / writings / agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to create mortgage / charge as aforesaid and also to delegate all or any of the above powers to the committee of directors or the Managing Director of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

**9. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013, and in this regard it is to consider and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with companies Rules, 2014 (including statutory modification (s) or re-enactments thereof, for the time being in force) the draft regulation contained in the Articles of Association submitted to this meeting be and is hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

**By and on behalf of Board of Directors  
For National Oxygen Limited**

**G.N. Saraf  
Chairman and Managing Director**

**Place: Chennai  
Date : 28.07.2014**

**Notes :**

1. A MEMBER TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF THE PROXY NOT BE A MEMBER OF THE COMPANY. Proxies order to be effective must be filed with the Company at this Registered Office no later than forty-eight hours before the commencement of the meeting.
2. The Instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
3. The Register of Members and Transfer Books of the Company will remain closed from 06th September to 12th September 2014.
4. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
5. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a Green Initiative in Corporate Governance and allowed Companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email addresses for the said purpose. Hence Members are requested to register their e-mail addresses with the Company by sending their details relating to name, folio no./DP Id/Client Id to the company's email id : [grievancesredressal@nolgroup.com](mailto:grievancesredressal@nolgroup.com)
6. Members are requested to notify immediately any change in their address to the Registrar and Share transfer Agent M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600 002.
7. Members who hold shares in physical form are requested to dematerialize their holdings to make the Company's shares traded in normal segment.
8. Details of Dividend declared from the financial year 2004-2005 onwards is as follows:

Financial year	Declared on	Rate of Dividend	Amount of Dividend per share
2004-2005	16.09.2005	20%	Rs.2.00
2005-2006	22.09.2006	20%	Rs.2.00
2006-2007	10.03.2007	20%	Rs.2.00 (Interim Dividend)
2007-2008	19.09.2008	20%	Rs.2.00
2008-2009	18.09.2009	10%	Re.1.00
2009-2010	17.09.2010	10%	Re.1.00
2010-2011	03.11.2011	10%	Re.1.00
2011-2012	03.05.2012	10%	Re.1.00 (Interim Dividend)
2012-2013	25.09.2013	10%	Re.1.00

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the company or Registrar for obtaining payment thereof.

## a. Information pursuant to Clause 49 of the Listing Agreement for reappointment of Directors:

1	Name of the Director	Smt. Veena Devi Saraf
A	Age	74 years
B	Date of appointment	11/10/1989
D	Experience	24 years
E	No. of shares as on 31st March 2014	3,61,871(7.5354%)
F	Directorship in other public companies	Nil
G	Chairman/Member of Committees of Companies	Nil

9. Electronic copy of the AGM Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent in the permitted mode.

10. **Voting through Electronic Means**

In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 39th Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited. E-Voting is optional. The procedure and instructions for the same are as follows:

**The Company will provide the evoting facility through CDSL. The e-voting particulars are set out below:**

**The instructions for members for voting electronically are as under:-**

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii) Click on "Shareholders" tab.
- (iii) Now, select the "NATIONAL OXYGEN LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

PAN*	<p><b>For Members holding shares in Demat Form and Physical Form</b></p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>1 Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>1 In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>1 Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date</b> in the <b>Dividend Bank details field</b>.</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for National Oxygen Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 1 Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - 1 They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 1 After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - 1 The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 1 They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 09:00 AM on 4th September to 05:00 PM on 6th September 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8th August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:

- (i) The manner of voting for the members being present in the General Meeting will be on “proportion principle” i.e. one share one vote unlike one person one vote principle, further provision of the Companies Act, 2013 relation to demand for poll will not be relevant.
- (ii) The option of voting by show of hands will not be available for members presenting the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, i.e. voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.
- (iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No.4**

Mr.P.Siva aged 79 years retired as General Manager of SIPCOT. He was appointed as an Additional Director of the company on 10th January 1994.He also functioned as whole Time Director (finance) of the company for a Period of 3 Years from 1995-1998.He is the Chairman of the Audit Committee of the company and member of the Remuneration committee and Shareholders/ investor Grievance and Share Transfer Committee of the Company.

In terms of section 149 and any other applicable provisions of the Companies Act 2013 Mr.P.Siva , being eligible and offering himself for appointment , is proposed to be appointed as an Independent Director for five consecutive years w.e.f 12th September 2014 . A notice has been received from a member proposing Mr.P.Siva as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. P.Siva fulfills the conditions specified in the Companies Act 2013 and the rules made there under for his appointment as an independent director of the company and independent of the management . Copy of the draft letter for appointment of Mr. P.Siva as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of benefit to the Company and it is desirable to continue to avail services of Mr. P. Siva as an Independent Director. Accordingly the board recommends the resolution to appointment of Mr. P.Siva as an independent director, for the approvals by the shareholders of the company.

Except Mr. P.Siva, being an appointee, none of the Directors and Key Managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No.4.

The disclosure under clause 49 of the listing agreement with the Stock Exchange will be part of explanatory statement.

**Item No.5**

Mr. Anil Kumar Seth was appointed as Additional Director on the Board of Directors of the Company from 1985. Mr.Anil Seth aged 61 years has been associated with the company as Director from 1985.He has been on the Board for over two Decades with the company with wide accounting and management experience. He is also the member of Audit committee. He is the director in the following companies:

	Name of the Companies /bodies/corporation/ Firms/association of individuals	Nature of interest or concern/ change in interest or concern
1.	Shantiniketan Property Foundation Private Limited	Managing Director
2.	Efficiency Aids Private Limited	Director
3.	Tranquil Homes Private Limited	Director
4.	S.I property (Karnataka) Private Limited	Director
5.	Icegen RCM Service Private Limited	Director
6.	Adinath Foundation Private Limited	Director

In terms of section 149 and any other applicable provisions of the Companies Act 2013 Shri. Anil Kumar Seth, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years w.e.f 12th September 2014. A notice has been received from a member proposing Shri. Anil Kumar Seth as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri. Anil Kumar Seth fulfills the conditions specified in the Companies Act 2013 and the rules made there under for his appointment as an independent director of the company and independent of the management. Copy of the draft letter for appointment of Shri. Anil Kumar Seth as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of benefit to the Company and it is desirable to continue to avail services of Shri. Anil Kumar Seth as an Independent Director. Accordingly the board recommends the resolution to appointment of Shri. Anil Kumar Seth as an independent director, for the approvals by the shareholders of the company.

Except Shri Anil Kumar Seth, being an appointee, none of the Directors and Key Managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No. 5.

The disclosure under clause 49 of the listing agreement with the Stock Exchange will be part of explanatory statement.

#### **Item No.6**

Dr. D .M. Mohunta aged about 73 years is a Non- Executive Director was appointed as Additional Director on the Board of Directors of the Company on 10th November 1997. Dr. D. M. Mohunta is a Chemical Engineer with Ph.d and having varied experience in industrial field. He is Director of M/s. Kailash Cold Storage (P) Ltd. He is the Chairman of the Remuneration Committee and member of the Audit Committee.

In terms of section 149 and any other applicable provisions of the Companies Act 2013 Dr. D.M. Mohunta, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years w.e.f 12th September 2014. A notice has been received from a member proposing Dr. D.M. Mohunta as a candidate for the office of Director of the Company..

In the opinion of the Board, Dr. D.M. Mohunta fulfills the conditions specified in the Companies Act 2013 and the rules made there under for his appointment as an independent director of the company and independent of the management. Copy of the draft letter for appointment of Dr. D.M. Mohunta as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of benefit to the Company and it is desirable to continue to avail services of Dr. D.M. Mohunta as an Independent Director. Accordingly the board recommends the resolution to appointment of Dr. D.M. Mohunta as an independent director, for the approvals by the shareholders of the company.

Except Dr. D.M. Mohunta, being an appointee, none of the Directors and Key Managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No.6.

The disclosure under clause 49 of the listing agreement with the Stock Exchange will be part of explanatory statement.

**Item No 7 & 8**

In order to meet the requirements of Section 293 (1) (d) and 293 (1) (a) of the Companies Act, 1956 the shareholders had, in the 36th Annual General Meeting held on 03rd September 2011, authorized the Company to borrow sums in excess of paid capital and free reserves of the Company subject to a ceiling of Rs.100 Cr. (other than temporary borrowings).

Section 180 of the Companies Act, 2013 (notified as on September 12, 2013) mandates that the aforementioned powers of the Board shall be exercised only through Special Resolution passed in the meeting of shareholders as compared to the requirement of ordinary resolution under the previous Act. Further the Ministry of Corporate Affairs vide its circular no. 04 /2014 dated 25/03/2014 have stated that the resolution passed under section 293 of the Companies Act, 1956 , prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the company will be regarded as sufficient compliance of the requirements of section 180 of the Companies Act, 2013 for a period of one year from the date of notification of section 180 of the Act.

Consequently, the Board recommends to the shareholders to pass a special resolution under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013, without altering the borrowing limits already approved by way of general resolution passed earlier.

Accordingly, the proposed resolution is placed before the shareholders for their approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

**Item 9**

The existing AoA of the Company is based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act 2013 ("The Act").

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The proposed new draft AoA is would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

Place : Chennai  
Date : 28.07.2014

**By and on behalf of Board of Directors**  
**G.N. Saraf**  
**Chairman and Managing Director**

### COMPLIANCE CERTIFICATE

**Registration No. 18-006819**  
**Authorised Capital: Rs. 5,00,00,000/-**

To,  
The Members,  
**M/s. NATIONAL OXYGEN LIMITED**

We have examined the registers, records, books and papers of **M/s. NATIONAL OXYGEN LIMITED** (the Company) as required to be maintained under the Companies Act, 1956/2013, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2014**. In our opinion and to the best of our information and according to the examinations carried out by us and information, explanations and declarations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in **Annexure `A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in **Annexure `B'** to this certificate, with the Registrar of Companies at the dates specified therein.
3. The Company being a public limited company the applicability of Section 3(1) (iii) does not arise.
4. The Board of Directors met **4 (Four)** times on **30 May 2013, 12 August 2013, 11 November 2013 and 10 February 2014** in respect of which meetings the proceedings were recorded in the Minutes Book maintained for that purpose.
5. The Company had opted to close its Register of Members during the financial year under review from 20th September 2013 to 25 September 2013 (both days inclusive) and has complied with the provisions of Section 154 of the Companies Act, 1956.
6. The Annual general meeting of the company for the financial year ended on **31 March 2013** was held on **25 September 2013** and the resolutions passed there at were recorded in Minutes Book maintained for the purpose.
7. No Extraordinary Meeting of members was held during the year under review as per the records provided and information given to us by the management.
8. As per the information and declaration given by the management the company had not granted any loans to directors or persons or firms or companies referred in the provisions of Section 185.
9. The Company had entered into inter-se transactions with associate companies and has not obtained any approval as required under Section 297 of the Companies Act, 1956. In the opinion of the management such transactions are entered at the prevailing market price and hence no approval was taken from the Central Government.
10. The Company has made necessary entries in the register maintained under Section 301 of the Companies Act, 1956.
11. According to the information, explanations and declaration furnished by the management, the Company has appointed the relative of a director in the place of profit under Section 314 of the Companies Act, 1956 by obtaining an approval from the Board of Directors, and members and

- the Company complied with the provisions of the Companies Act, 1956 by filing necessary e-form during the financial year under review.
12. The Board of Directors and the duly constituted Committee of Directors have not approved any issue of duplicate share certificates during the financial year under review.
  13. The Company, during the financial year under review, had:
    - (i) Not issued any shares or other securities but however received request for transfer and transmission of shares and hence the proper delivery of share certificate was also made.
    - (ii) Deposited the amount of dividend declared in a separate Bank Account within five days from the date of declaration of such dividend.
    - (iii) Declared dividend during the year and paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company.
    - (iv) The Company duly transferred the unpaid amount pending for disbursement in dividend account which has remained unclaimed/unpaid for a period of seven years, to Investor Education and Protection Fund ('IEPF').
    - (v) Generally complied with the requirements of Section 217 of the Act.
  14. The Board of Directors of the company is well constituted, and there was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy has been made during the financial year under review.
  15. The Company has not appointed any Managing Director/ Whole Time Director/ Manager during the year.
  16. The Company had not appointed any sole-selling agents during the financial year under review.
  17. As per the information and explanation given by the management, the company has no transaction which necessitated the company to seek approval from the Company Law Board, Regional Director, Register of Companies and Central Government during the financial year under review.
  18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Companies Act, 1956 and the Rules made there under.
  19. The Company has not issued any shares /debentures/other securities during the financial year under review.
  20. The Company has not bought back any of its shares during the financial year under review.
  21. The Company has not issued any redeemable preference shares/debentures; and hence the question of redeeming any preference shares/debentures does not arise.
  22. The Company did not keep in abeyance rights to dividend, rights shares, and bonus shares pending registration of transfer of shares during the financial year under review.
  23. According to the information and explanation given by the management, the company had not accepted any deposits from the public, shareholders, directors or their relatives and hence compliance with provisions of Section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 does not arise.

24. The amount borrowed by the company from banks during the financial year is within the borrowing limits as fixed by the Company and the company had passed necessary resolution by complying with the provisions of Section 180(1) (c) of the Companies Act, 1956 in the previous years.
25. According to the information and explanation given by the management, the company has not made any loans/investments or given guarantees or provided securities to other bodies corporate during the financial year under review.
26. The Company had not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year under review.
27. The Company had not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company had not altered the provisions of the memorandum with respect to name during the year under scrutiny.
29. The Company had not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company had not altered its articles of association during the financial year under review.
31. According to the information, explanations and declaration furnished by the management, no prosecution has been initiated against the Company or no show cause notices has been received by the company for any alleged offences under the Companies Act, 1956 and hence the question of fine or penalties does not arise.
32. The Company had not received any amount as security from its employees during the financial year; hence the applicability of the provisions of Section 417(1) of the Companies Act, 1956 does not arise.
33. According to the information and explanations furnished by the management, the Company had not constituted its own Provident Fund pursuant to the provisions of Section 418 of the Companies Act, 1956; however the company had generally been regular in depositing both the employers and employees contribution to the Provident Fund with prescribed authorities.

Place: Chennai

Date: 28-07-2014

Name of Company Secretary : Lakshmmi Subramanian

C. P. No. : 1087

**Annexure A****Registers as maintained by the Company**

1. Register of Members under Section 150 of the Companies Act, 1956 (Computerized)
2. Register of Directors under Section 303 of the Companies Act, 1956.
3. Register of Directors Shareholdings Section 307 of the Companies Act, 1956.
4. Register of Contracts, Companies and Firms in which Directors of the Company are interested under Section 299, 301 and 301(3) of the Companies Act, 1956.
5. Minutes of the Annual General Meeting/Extra Ordinary General Meeting & Board Meetings under Section 193 of the Companies Act, 1956.
6. Register of Share Transfers (Computerized).
7. Register of Charges under Section 143 of the Companies Act, 1956.

**Annexure B**

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ending on **31st March 2014**.

<b>Name of the Document</b>	<b>Date of Event</b>	<b>Date of filing</b>	<b>Due Date</b>	<b>Remarks</b>
Form 23AC & ACA(XBRL)	25.09.2013	28.11.2013	28.11.2013	On-time
Form 20B	25.09.2013	08.11.2013	25.11.2013	On-time
Form 23	25.09.2013	22.10.2013	25.10.2013	On-time
Form 23	12.08.2013	29.08.2013	12.09.2013	On-time
Form 32	01/10/2013	03/10/2013	01/11/2013	On-time
Form 66	25.09.2013	01.10.2013	25.10.2013	On-time

**DIRECTORS REPORT**

The Directors of your Company present its 39th Annual Report on the functioning of the Company together with the Profit and Loss Account for the year ended 31st March 2014 and the Balance Sheet as at that date together with the Auditor's Report thereon.

**Financial Results:**

	<b>Current year 31.03.2014 (Rs. in Lakhs)</b>	<b>Previous Year 31.03.2013 (Rs. in Lakhs)</b>
Gross Profit / (Loss)	(374.67)	406.51
Depreciation	(386.44)	(347.58)
Profit / (Loss) before Tax	(761.11)	58.93
Provision for Income Tax	(1.006)	(25)
Provision for Fringe Benefit Tax	-	-
Provision/ Release of Deferred Tax	236.47	24.95
Net Profit for the year	(525.64)	58.88
Balance brought forward from the earlier year	305.90	309.20
	(219.74)	368.08

During the financial year 2013-14, your company was not able to attain reasonable profit levels and register a net loss of Rs. (525.64) lakhs as compared to profit of Rs. 58.88 lakhs in the previous year.

**Business Operations:****Industrial Gases**

The order book position is comfortable since the Company was able to tie up long term contracts with the customers. The plant at Pondicherry and Perundurai is also performing at its rated capacity. Your Company is working at its market front since the supply of oxygen and nitrogen has increased compared to previous year.

**Windmill:**

The Power generation is normal and we expect the generation of power will improve in the coming months.

**Dividend:**

The Operations of the Company have resulted in a loss as explained in the Financial result. Hence, your director regret that they are unable to recommend any dividend on the Equity share capital of the Company for the year under review.

**Directors:**

The Company has, pursuant to the provisions of clause 49 of the Listing Agreement entered into with the Stock Exchange has appointed Mr. Perumal Siva, Mr. Anil Kumar Seth and Mr. Devmohan Mohunta as Independent Directors of the Company. The Company has received declarations as the appointee independent directors, that they meet the criteria of independence, as prescribed



both under sub-section (6) of Section 149 of the Companies Act 2013 and under the said clause 49. In accordance with the provisions of section 149(4) and section 152 (5) of the Companies Act, 2013, Mr. Perumal Siva, Mr. Anil Kumar Seth and Mr. Dev Mohan Mohunta are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming AGM of the Company.

Smt. Veena Devi Saraf are retiring at this meeting by rotation and being eligible, offer themselves for reappointment.

**Rights Issue:**

The Company has not made any right issue during the year.

**Fixed Deposits:**

The Company has not accepted any fixed deposits during the year.

**Particulars of Employees and Labour Relations:**

None of the employees fall under the category specified under Sec.217 (2A) of the Companies Act, 1956 and the Rules thereunder.

The relations with the employees during the year had been smooth and cordial.

**Conservation of Energy, Technology Absorption and Foreign Exchange inflow & Outgo:**

Prescribed particulars under Section 217(1)(e) of the Companies Act, 1956 are furnished as **Annexure-A** to this Report.

**Director's Responsibility Statement:**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that

- ! in the preparation of the annual accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed along with proper explanation related to material departures, if any.
- ! they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as on 31st March, 2014 and of the profit and loss of the company for that period.
- ! proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- ! the annual accounts are prepared on a going concern basis.

**ANNEXURE A TO DIRECTORS REPORT**

**INFORMATION AS PER SEC.217 (1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2014**

**A. CONSERVATION OF ENERGY****a. Energy conservation measures taken**

- i. Introduction of efficient lighting system and special capacitor banks for improvement of power factor.
- ii. Improvements in operating efficiency and reduction of losses at workers level.
- iii. Technology for production of gases is being upgraded continuously. Also distribution technology for cryogenic liquid products is streamlined.

**b. Additional Investment Proposals. ---- NIL**

**c. Impact of above measures on energy consumption** - Introduction of efficient lighting system and other energy saving systems has considerably reduced power consumption.

**d. Total energy consumption and energy consumption per unit of production as per Form A Not Applicable.**

**B. TECHNOLOGY ABSORPTION**

e. As per Form B Not applicable

**f. Research and Development (R & D)**

- i. Specific areas in which Research and Development carried out by the Company - NIL
- ii. Benefits derived as a result of the above Research and Development - NIL
- iii. Future Plan of action the Company has tentative proposals to introduce Research and Development division in the next two years.
- iv. Expenditure on Research and Development at present Percentage of the turnover- NIL
  - a. Capital
  - b. Recurring
  - c. Total
  - d. Total Research and Development as a percentage of Turnover.

**ii. Technology, Absorption, Adoption and Innovation**

- i. Efforts made - NIL
- ii. Benefits derived
  1. Production Improvement
  2. Cost reduction
  3. Import substitution
- iii. Technology imported - NIL
 

Year of Report - NIL

Has technology been fully absorbed - NIL

If not fully absorbed areas where this has not been reasons therefore and future plans of action - NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO-**

(i) Activities relating to Exports, Initiatives taken to increase Exports, Developments of new Export Market for products and Services and Export Plans:

The Company has not undertaken any export activities.

(ii) Total Foreign Exchange used and earned:

	<b>2013-2014</b>	<b>2012-2013</b>
Earnings in Foreign Exchange	-	-
Expenditure in Foreign Currency	-	6,65,996
CIF Value of Imports	1,169,4084	12,39,48,034

**ANNEXURE B TO DIRECTORS REPORT --- REPORT ON CORPORATE GOVERNANCE:****1. Company's Philosophy on Code of Governance:**

National Oxygen Limited defines Corporate Governance as a Systematic Process by which companies are Directed and controlled to enhance their wealth generating capacity. Since large corporations employ vast Quantum of social resources, we believe that the governance process should ensure that these companies are managed in a manner that meets stakeholders' aspirations and social expectations.

The basic objective of corporate governance policies adopted by the companies is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with statutory requirements but also go beyond them by putting into place procedures and systems, which are in accordance with best practice of governance. Your company believes that good corporate governance enhances the trust and confidence of all the stakeholders. Good practice in corporate behaviour helps to enhance and maintain Public trust in companies and stock market.

**2. Board of Directors:****Composition and category of Board of Directors**

The Board of Directors of the company comprises of Executive, Non-Executive and Independent Directors. In all there are six Directors, two executive, one non-executive and three independent directors.

As on 31st March 2014, the composition of the Board of Directors of the Company meets the stipulated requirements of Clause 49 of the Listing Agreement of the Stock Exchanges. The Board is responsible for the management of the business and meets regularly for discharging its role and functions.

**Number of Board Meetings Held dates on which held:-**

During the financial year 2013-2014 viz., from 1st April 2013 to 31st March 2014 four (4) Board meetings were held on the following dates: **30 May 2013, 12 August 2013, 11 November 2013 and 10 February 2014**. The Annual General Meeting was held on **25 September 2013**.

The composition and membership on other Boards, Committees of Directors and attendance of Directors at the Board of Directors Meetings held during the Financial Year 2013-2014 and the last AGM held on 25.09.2013 is given below.

Name of the Director	Category	Attendance Particulars		Number of Directorships in other Public companies and Committee Members / Chairmanships		
		Board Meetings	Last AGM (Yes/No)	Other Directorships	Committee Memberships (other than NOL)	Committee Chairmanships (other than NOL)
Shri. G.N. Saraf	Chairman and Managing Director - Executive	4	Yes	-	-	-
Shri. R.K. Saraf	Joint Managing Director - Executive	4	Yes	-	-	-
Dr. D.M. Mohunta	Non-Executive Independent	4	Yes	-	-	-
Smt. Veena Devi	Non-Executive Non-Independent	4	Yes	-	-	-
Shri. P. Siva	Non-Executive Independent	4	Yes	-	-	-
Shri. Anil Seth	Non-Executive Independent	4	Yes	6	-	-

### 3. BOARD COMMITTEES:-

#### A. Audit Committee:

##### Charter:-

The Primary object of Audit Committee of the company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

##### Composition:-

The Audit committee comprises of the following three Non-Executive Independent Directors of the company:

Name of the Director	Category of Membership
Shri.P. Siva	Chairman
Dr.D.M. Mohunta	Member
Shri. Anil Seth	Member

**Terms of reference:** The major terms of reference of this committee are as under:-

- ✓ Reviewing with management the financial statements before submission of the same to the Board.
- ✓ Overseeing of company's financial reporting process and disclosures of its financial information.
- ✓ Reviewing the adequacy of the internal Audit Function.

- ✓ Recommendation and Removal of Statutory Auditor and Fixation of audit Fees.
- ✓ Reviewing the Reports furnished by the statutory auditors and ensuring suitable follow up thereon.

**Meeting and Attendance of the Committee:-**

During the financial year four Audit Committee meetings were held on the following dates **30 May 2013, 12 August 2013, 11 November 2013 and 10 February 2014.**

The Attendance of Directors at the Audit Committee Meetings held during the year 2013-2014 is given below:

Name of the Director	Category of Membership	Attendance Particulars	
		Meetings Held	Meetings Attended
Shri.P.Siva	Chairman	4	4
Dr.D.M.Mohunta	Member	4	4
Shri. Anil Seth	Member	4	4

**B. Remuneration Committee:**

The Remuneration Committee comprises of three Non-Executive Directors viz.:

1. Dr. D.M. Mohunta, Chairman of the Committee
2. Shri. P. Siva, Member
3. Shri. Anil Seth, Member

**Terms of reference:**

The terms of reference of the Remuneration Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges that include determination of the Company's policy on specific remuneration packages for Directors.

No meeting of the Remuneration Committee was held during the year.

**Remuneration Policy:**

The remuneration of the Executive Directors is recommended by the Remuneration committee, based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry and responsibilities shouldered. The Company pays remuneration by way of salary and perquisites to its Executive Directors.

The Non-executive Directors are not paid any remuneration except sitting fees. Further the company has not entered into any pecuniary relationship or transactions with the Non-executive directors.

The details of the remuneration paid/payable to the Directors during the Financial Year 2013-2014, shareholding and relationship with Directors are as under:as under:

Name of the Director	Salary & Perquisites (Rs.)	Sitting Fees (Rs.)	No. of shares held as on 31.3.2014	Relationship with Directors
Shri.G.N.Saraf	3,00,000		794108	Husband of Smt.Veena Devi Saraf and Father of Shri.R.K.Saraf
Shri.R.K.Saraf	3,00,000		182400	Son of Shri.G.N.Saraf and Smt.Veena Devi Saraf
Dr.D.M.Mohunta	-	7750	750	-
Smt.Veena Devi Saraf	-	7750	361,871	Wife of Shri.G.N.Saraf and Mother of Shri.R.K.Saraf
Shri.P.Siva	-	11500	600	-
Shri.Anil Seth	-	7750	6153	-

### C. Shareholders/Investors Grievance and Share Transfer Committee:

#### Composition:-

The Shareholders / Investors Grievance and Share Transfer Committee comprises of:

1. Smt. Veena Devi, Chairperson of the Committee
2. Mr. G. N. Saraf, Member
3. Mr. P. Siva, Member

The terms of reference of this committee are as under:-

The shareholders/investor grievance and share transfer committee specifically looks into redressing of shareholder's and investor's complaints such as transfer of shares, non-receipt of shares, non-receipt of declared dividend, non-receipt of annual report and to ensure expeditious share transfers.

#### Meeting and Attendance of the committee:-

The Committee oversees the performance of share transfer and recommends measures to improve the shareholders/investors service. The said Committee met 10 times during the year 2013-2014.

#### Shareholders queries received and replied in 2013-2014.

During the Financial Year 2013-2014, 5 complaints were received from shareholders and were replied/redressed to the satisfaction of the investors. There are no complaints pending as on date of this report. There were no share transfers pending registration as at 31st March 2014.

In case of any investor complaint, shareholders are requested to address the same to [grievanceredressal@nolgroup.com](mailto:grievanceredressal@nolgroup.com).

**6. General Body Meetings:**

The particulars of Annual General Meetings held during the last three years are as under:

Year	Date and Time	Venue
2010-2011	3 <sup>rd</sup> September 2011 at 10.00 a.m	Hotel Kanchi, 28, Commander-in-chief Road, Egmore, Chennai 600 008.
2011-2012	28 <sup>th</sup> September 2012 at 10.30 a.m	Hotel Kanchi, 28, Commander-in-chief Road, Egmore, Chennai 600 008.
2012-2013	25 <sup>th</sup> September 2013 at 9.30 a.m	Hotel Kanchi, 28, Ethiraj Salai, Egmore, Chennai 600 008.

**I) Special Resolution Passed in the Past three AGM's:-****2012-2013**

Special resolution for re-appointment of Mr. G.N Saraf as Managing director.

Special resolution for re-appointment of Mr. Rajesh Kumar Saraf as joint Managing director.

**2011-2012**

Special Resolution for the purpose of appointment of Ms. Aarti Saraf, relative of the directors as General Manager, Information Technology.

**2010-2011**

Special Resolution for the purpose of issue of equity shares on Rights basis.

Special resolution for borrowal of money to a limit not exceeding in the aggregate of Rs 100 crores.

**II) Postal Ballots:**

No resolutions were passed through Postal Ballot during the financial year under review.

**7. Disclosures:**

- Related Party Transactions: The Company has not entered into any transactions of a material nature with the Promoters, the Directors or the Management, their subsidiaries or relatives, etc, that may have potential conflict with the interests of the Company except those that have been disclosed. The necessary disclosures regarding the transactions are given in the point no. 38 of the Notes to the Accounts.
- There are no instances of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock exchanges or SEBI or any statutory authority on any matter related to Capital Markets during the last three years.
- Disclosure on accounting treatment: No differential treatment from the Accounting standards was followed in the preparation of the financial statements.
- The company does not have a Whistle Blower Policy and no employee has been denied access to approach the audit committee to report any serious concerns.
- The company has complied with all the mandatory requirements of Clause 49 of the listing agreement and the extent of compliance of the non-mandatory requirements is given in the end of this Report.
- No money has been raised through Public / Right / Preferential issue during the financial year ended 31st March 2014,

**8. Means of Communication:**

The quarterly financial results are usually published in the News Today (English) and Maalai Sudar (Tamil) and are also available on the following websites-

www.nolgroup.com, www.bseindia.com and www.nseindia.com

**9. Management Discussion and Analysis Report:**

Management Discussion and Analysis Report forms a part of the Directors Report. (Given in Annexure C).

**10. General Shareholders Information:**

- (i) Date of Annual General Meeting : 12th September 2014  
 Time : 9.30 a.m.  
 Venue : Hotel Kanchi,  
 28, Ethiraj Salai,  
 Egmore, Chennai 600 008.

- (ii) Financial Calendar :

Results for the quarter ending June 30, 2013	Within 45 days from the end of the quarter
Results for the quarter ending September 30, 2013	Within 45 days from the end of the quarter
Results for the quarter ending December 30, 2013	Within 45 days from the end of the quarter
Results for the quarter ending March 31, 2014	Audited Results within 60 days from the end of the quarter
Annual General Meeting	12th September 2014

- (iii) Book-Closure Date : 6th September to 12th September 2014.
- (iv) Listing on the Stock Exchanges : The Equity shares of the Company are listed in the Bombay Stock exchange and Madras Stock Exchange. The company confirms that it has paid annual listing fees to all the stock exchanges for the year 2013-2014.  
 The shares of the company are also traded in National Stock Exchange through MOU between Madras Stock Exchange and National Stock Exchange.
- (vi) Stock Code : Bombay Stock Exchange 507813  
 Madras Stock Exchange NATOXYGEN  
 National Stock Exchange NOL



## (vii) Stock Market Data:-

Bombay Stock Exchange: High and Low quotations of the Company's shares during the period 1st April 2013 to 31st March 2014:

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High	Low	Volume	High	Low	Volume
	(Rs.)		Numbers	(Rs.)		Numbers
Apr-13	44.45	40.10	1,783	42.50	40.50	215
May-13	45.00	38.35	7,882	40.60	38.70	1650
Jun-13	42.45	36.90	1,531	37.65	37.10	399
Jul-13	48.00	42.00	46	37.50	37.50	100
Aug-13	43.40	36.50	792	35.65	35.65	1
Sep-13	44.00	35.10	3,463	37.40	33.90	172
Oct-13	39.90	41.50	1,270	37.25	33.85	850
Nov-13	43.00	34.50	5,165	39.40	32.10	108
Dec-13	43.60	36.10	4,094	37.50	37.50	8
Jan-14	44.00	38.05	6,467	39.50	35.60	2231
Feb-14	43.50	38.05	3,119	37.55	35.85	1450
Mar-14	42.00	37.00	13,010	38.85	33.25	71

(vii) Registrar and Share Transfer Agents : M/s.Cameo Corporate Service Limited.  
"Subramanian Buildings"  
1, Club House Road, Chennai- 600 002.  
Contact No. 044-28460390  
Fax No. 044-28460129

(ix) Share Transfer System: Presently the share transfer documents which are received by the Company are processed, approved and kept ready for despatch within 15 days from the date of the receipt.

(x) Distribution of Shareholding as on 31.3.2014:

Share or Debenture holding (Rs.)	No. of shareholders	% to total	Share/Debenture Amount (Rs.)	% to total
10-5000	4027	92.3835	6439650	13.4095
5001-10000	213	4.8864	1618120	3.3694
10001-20000	52	1.1929	762010	1.5867
20001-30000	16	0.3670	406200	0.8458
30001-40000	6	0.1376	201600	0.4198
40001-50000	4	0.0917	188940	0.3934
50001-100000	8	0.1835	541700	1.1280
100001 & above	33	0.7570	37864490	78.8470
Total	4359	100	48022710	100

## (xi) Shareholding Pattern as on 31.3.2014:

Category	No. of Shares Held	Percentage of Share holding
A. PROMOTER HOLDING		
1. Promoters		
Indian Promoters	28,05,931	58.43%
Foreign Promoters	NIL	
2. Persons acting in concert	NIL	
Sub-Total	28,05,931	58.43%
B. Non-Promoters Holding		
3. Institutional Investors	NIL	NIL
a. Mutual Funds and UTI	NIL	NIL
b. Banks, financial Institutions, Insurance Companies (central/state Govt. Institutions Non-government Institutions)	NIL	NIL
c. FII's	NIL	NIL
Sub-Total	NIL	NIL
4. a. Body Corporate	137993	2.87%
b. Indian Public	1829634	38.0993
c. Clearing Member	486	0.01%
d. Hindu Undivided Family	17115	0.36%
e. NRI	9402	0.20%
f. Independent Directors	-	-
g. Any other	1710	0.356%
Sub-Total	19,96,340	41.57%
Grand Total	48,02,271	100.000%

- (xii) **Dematerialisation of shares:** The equity shares of the company have been admitted for dematerialization with NSDL and CDSL. The ISIN No. of the Company is INE296D01010. 91.41% of the Company's paid up Equity share capital has been dematerialized up to March 31, 2014.

**Shareholders holding more than 1% of the shares**

The details of shareholders (non-promoters) holding more than 1% of the equity as at March 31, 2014 are as follows :

Name of the Shareholder	No. of Shares held	Shares as % of Total No. of Shares
Manoharlal S	71792	1.4949
R F Dadabhoy	53201	1.1078
F L Dadabhoy	112500	2.3426
N F Dadabhoy	54000	1.1244
Sicgil India Limited	76500	1.5929
Abdul Rasheed	64596	1.3451
Saffiya Banu	66049	1.3753
Manoharlal S	105397	2.1947
Thakur Prasad	92665	1.9296
S Dakshayani	67616	1.4080
S S Sundaram	78276	1.6299
<b>Total</b>	<b>842592</b>	<b>17.5456</b>

**(xii) Plant locations of the Company:****I. Industrial Gases :**

Factories:

- |   |   |  |
|---|---|--|
| 1. Trichy-Pudukottai Road<br>Mathur-622515.<br>Tamil Nadu | 2. Pondy-Villupuram Road,<br>Thiruvandarkoil,<br>Pondicherry 605 102. | 3. R-5, SIPCOT Industrial Growth Centre<br>Perundurai,<br>near Erode 638 052, Tamil Nadu |
|---|---|--|

**II. Windmill :**

Location : Brahmanvel, Dhule District, Maharashtra - 424001

**(xiii) Address for Correspondence:**

National Oxygen Limited  
Regd. and Administrative Office:  
80, (Old No.141) Greams Road,  
Chennai 600 006.  
Phone: 28290707 (4 lines)  
Fax: (044)28290770  
Email: contact@nolgroup.com

**(xiv) E-Mail ID of Investor Grievance redressal cell :**  
grievancesredressal@nolgroup.com**10. Non-Mandatory Requirements:**

- a. Chairman of the Board: The Company maintains the office of the Executive Chairman at its Corporate Office and also reimburses the expenses incurred in performance of duties.

- b. The Board has duly constituted a Remuneration Committee under the Chairmanship of Dr. D. M. Mohunta, which determines the remuneration package for Executive Directors.
- c. Shareholder Rights: The quarterly financial results are usually published in the News Today (English) and Malai Murasu (Tamil).
- d. Audit qualifications: The company has no audit qualifications in the financial statements.
- e. Training of Board members: Periodical meetings are held with skilled consultancy agencies for the Board members to appraise them in recent developments and existing laws and practices.
- f. Mechanism of evaluating Non-executive directors: Same as above.
- g. Whistle Blower Policy: As mentioned earlier, the Company does not have a Whistle blower policy.

**11. Code of conduct:**

We hereby declare that the code of conduct for all the members of the Board and senior management of the Company has been framed and all Board and senior management have affirmed compliance of the Code.

**DECLARATION**

I, G.N.Saraf, Managing Director of the company, hereby declare that the Board of Directors has laid down a code of conduct for its Board members and senior Management of the company and Board members have affirmed compliance with the said code of conduct. The code of conduct is posted on the website of our company at [www.nolgroup.com](http://www.nolgroup.com).

Place: Chennai  
Date: 28-07-2014

**for National Oxygen Limited,**

**G.N. SARAF**  
Managing Director

**CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Members of  
**M/S. NATIONAL OXYGEN LIMITED**

We have examined the compliance of conditions of corporate governance by M/S. NATIONAL OXYGEN LIMITED for the year ended on 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The objective of our examination is to give our opinion on whether the company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing agreement entered into by the company with the listed stock exchanges of India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

On the basis of review and according to the information and explanation given to us and representation made to us by the Management, we state that to the best of our knowledge and belief the Company has complied in all material respects with the conditions of corporate governance stipulated in Clause 49 of the above-mentioned listing agreement.

We further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
Date: 28.07.2014

for M/s. Lakshmmi Subramanian & Associates  
Practising Company Secretaries

Lakshmmi Subramanian  
Senior Partner C.P.No.  
1087

**ANNEXURE C TO DIRECTORS REPORT MANAGEMENT DISCUSSION AND ANALYSIS  
REPORT**

**Industry Structure and Developments:**

Our company with its quality policy based on international quality of Standard of ISO 9001:2008, maintained its quality and that has helped to sustain in the competitive market inspite of severe recession affecting our customers. By its wide range of contacts and efficient management, the company could retain its customers and manages efficiently in both Gases and Windmill sectors.

**Opportunities:**

The customer base is varied, demand in any of the sectors provide business opportunity which can be exploited.

The implementation of the recently added project has resulted in high quality output, which has resulted in opening of new applications in auto parts and electronics industry.

**Threats:**

Adverse Exchange Fluctuation may result in increase in Project cost and may result in additional borrowing and may affect the margin.

Continuous increase in Interest rates on Bank Credit Facilities will affect the margin.

Delay in implementation of Project due to Delay in statutory clearances, Shipment of imported plant & machinery may result in Project overrun.

**Segment wise of Product wise Performance:**

The Performance of the products manufactured by the company namely Industrial Gases are satisfactory and the only problem faced by the company is power interruption and power failures which are beyond our control. The over all working and performance of the Windmill is satisfactory.

**Risks and Concerns:**

Our main concern is, continuous competition from MNCs by reducing the price in the market, due to which the company has to reduce the price to retain its share in the market.

Regarding the Windmill Power generation, it depends on the seasonal wind and accordingly Power is generated as and when the wind is good.

**Internal Control Systems and their Adequacy:**

The company maintains its adequate internal controls to have efficient operations. Also the company maintains all statutory rules, regulations, laws as applicable from time to time and protection of resources and assets.

**Weakness:**

The smallness of the Organisation undertaking an expansion at a different location immediately after the present expansion, resulting in huge debt exposes Financial Risk.

**Strength:**

Present strategy was to have a centralized production unit to get the benefit of larger scale of production and lower power tariff. Since the geographical spread of customer has increased and higher demand at longer distance and considering ever increasing transport cost the idea is to establish the additional production capacity plant nearer to the cluster of customers at the furthest marketing area. Accordingly SIPCOT Industrial area at Perundurai near Erode, T.N. has been chosen after detailed market survey. The advantage is twofold. One is we will be able to save in distribution expenses and also cater to the new customer of that area, which presently being not serviced due to capacity constraint. Secondly, additional capacity for marketing to the extent of shifted customer to the new unit i.e. about 30 tpd will be available for the existing plant in Pondicherry, Chennai region and thus optimize distribution expenses for both the plant in addition to market capitalization.

The same Technology established and stabilized successfully has been duplicated in the Further Expansion.

The strategy in marketing is to have a varied customer base across different sector so that there will not be a marked effect on our sales even if one or the other sector has reduced consumption for whatever the reason.

Another important aspect in the industrial gas market is customer satisfaction. In addition, it is a critical input for the customer's productivity. Thus managing the vacuum insulated transport tankers available for liquid distribution is very critical in terms of return for investment and also efficiency of delivery. To have instantaneous data on the location of these tankers, satellite monitoring facility has been incorporated.

The Company is also having expertise in Fabricating Storage Tanks which are cost effective and provide storage at competitive cost.

As for the gaseous oxygen/nitrogen distribution, the strength is not only having huge cylinder population but also their efficient use. This is very important due to heavy investment done on cylinder. Thus cylinder wise and customer wise utilization is monitored continuously by special cylinder management software and it is giving very good results. Nearness to customer results in efficient Cylinder management.

Thus it is the combination of customer satisfaction, best utilization of available capital and human assets and continuously planning strategy for new development, we are always a step ahead of our competitors. And this is the reason; we have 55% of our market share from Government Organization both central and state on long term contract basis.

**Material developments in human resources / Industrial relations front:**

Being an ISO Company, training on all sectors are given to its employees periodically and motivated to work inline with the development of the industry. The willingness and commitment of the employees help the company to stand toll among its customer in quality and service. The Company has the total employee strength of 116.

**ANNEXURE D TO DIRECTORS REPORT**  
**MANAGING DIRECTOR/ JOINT MANAGING DIRECTOR CERTIFICATION**

Dear Sirs,

In connection with the Audited Financial Results for the Financial Year ended 31st March, 2014, we G.N.Saraf, Chairman cum Managing Director and Rajesh Kumar Saraf, Joint Managing Director certify that

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

  - (i) These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
  - (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
  - (c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
  - (d) We have indicated to the auditors and the audit committee
    - 1 significant changes in internal control over financial reporting during the year;
    - 1 significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    - 1 instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**G.N.SARAF**  
Chairman & Managing Director

**RAJESH KUMAR SARAF**  
Joint Managing Director



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF NATIONAL OXYGEN LIMITED**

**1. Report on the Financial Statements :**

We have audited the attached financial statements of NATIONAL OXYGEN LIMITED as at 31st March 2014, which comprise the Balance Sheet as at 31st March 2014 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

**2. Management's Responsibility for the Financial Statements :**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**3. Auditor's Responsibility :**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss , of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**5. Report on Other Legal and Regulatory Requirements :**

As required by the Companies (Auditor's Report) Order 2003 (as amended) issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies' Act 1956, we give in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.;
- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of the written representations received from the directors as on 31st March 2014 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act' 1956;

Place : Chennai,  
Date : 22nd May 2014.

**For SINGHI & CO.,  
Chartered Accountants  
(SUDESH CHORARIA)  
Partner  
Membership No. 204936  
FRNo.302049E**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in our Report of even date on the Accounts of NATIONAL OXYGEN LIMITED as at and for the year ended 31st March 2014)

- i) a) The Company has maintained proper records to show full particulars including quantitative details and situation of its Fixed Assets.
- b) The Fixed Assets of the Company have been physically verified by the management, wherever possible, at the close of the year as confirmed by the management. As informed to us, no material discrepancy has come to notice on such physical verification.
- c) The Company has not disposed off any substantial part of fixed assets during the year.
- ii) a) The management has conducted Physical verification of Inventories at all its locations at reasonable intervals during the year ;
- b) The procedures of physical verification of stock followed by the Management are, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business ;
- c) The company is maintaining proper records of inventory. As far as we can ascertain and according to the information and the explanations given to us, the discrepancies noticed between the physical stocks and book stocks were not material and the same have been properly dealt with in the books of account.
- III) a) As per the information & explanations provided to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- b) The company has taken unsecured loan from a company listed in the register maintained under section 301 of the Companies Act 1956 . The maximum amount outstanding during the year was Rs. 4,89,00,388 and the balance outstanding as on 31st March 2014 was Rs. 4,89,00,388;
- c) The rate of interest and other terms and conditions in respect of the unsecured loans taken by the company, are prima facie not prejudicial to the interest of the company.
- d) There is no specific stipulations regarding the repayment of the loan and interest amount in respect of the unsecured loans taken. However, as per the information & explanations provided to us, the repayment of the loan and interest amount has been made promptly, as and when demanded.
- iv) On the basis of checks carried out during the course of audit and as per explanations given to us, in our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of Inventory and Fixed Assets and for the sale of goods and services. During the course of our Audit, no major weakness has been noticed in the internal controls in these respects.
- v) a) As per the information & explanations given to us, particulars of transactions that have been undertaken during the year in pursuance of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.
- b) In our opinion, and according to the information and explanations given to us, and as confirmed by the Company, all the transactions with each of such parties during the financial year have been entered into at prices which are reasonable having regard to the prevailing market prices at the relevant time;
- vi) The company has not accepted any deposits from the public during the year, to which the provisions of Section 58-A , 58-AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under apply;
- vii) The company has a separate Internal Audit System . In our opinion, the Internal Audit system is commensurate with the size and nature of its business;
- viii) The Company has maintained proper Cost records as prescribed by the Central Government under Section 209 (1)(d) of the Companies Act 1956 for the products manufactured by it, but no detailed examination of such records have been carried out by us.
- ix) a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, cess and other material statutory dues with the appropriate authorities;

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)**

- ix) b) According to the information and explanations given to us and the books and records examined by us, there was no undisputed amount outstanding as on 31st March' 2014 in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, cess and other statutory dues for a period of more than six months from the date they became payable;
- c) According to the records of the company and as per the information and explanations provided to us, the dues outstanding (net of Advances) in respect of Sales Tax, Income tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Cess etc., on account of any dispute, are given below :

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute pending
Central Excise Act, 1944	Excise duty demanded on the facility charges being charged	1.06	Sept'2000 to Aug'2001	CESTAT, Southern Bench
Central Excise Act, 1944	Departmental appeal against the partial favourable order passed by Commissioner (Appeals) for Excise duty demanded on the rental / facility charges being charged	4.91	Sept'2000 to Aug'2001	CESTAT, Southern Bench
Central Excise Act, 1944	Departmental appeal against the favourable order passed by Commissioner (Appeals) for Excise duty demanded on the rental / facility charges being charged	13.11	Aug'2002 to June'2004	CESTAT, Southern Bench
Central Excise Act, 1944	Cenvat credit availed on Cryogenic Tank being disputed	5.23	Mar'2005 to Nov'2005	CESTAT, Southern Bench
Central Excise Act, 1944	Departmental appeal against the favourable order passed by CESTAT in respect of 8% duty demanded on supply to ISRO under Nil rate of duty while availing Cenvat Credit	5.71	2000-01	Madras High Court
Central Excise Act, 1944	Excise duty demanded on the Cylinder Repair charges being charged	0.20	Sept'2006 to Mar'2007	CESTAT, Southern Bench
Central Excise Act, 1944	Excise duty demanded on the Cylinder Holding / facility charges being charged	1.67	May'2006 to Aug'2006	CESTAT, Southern Bench
Central Excise Act, 1944	Excise duty demanded on the Cylinder Repair charges being charged	4.09	2002-03 to 2004-05	CESTAT, Southern Bench

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)**

Central Excise Act, 1944	Excise duty demanded on the Cylinder Repair charges being charged	0.81	Nov'2005 to Aug'2006	CESTAT, Southern Bench
Service Tax	Service Tax demanded on the Lease charge income received	11.32	2002-03 & 2003-04	CESTAT, Southern Bench
Service Tax	Service Tax demanded on the Lease charge income received	6.95	2004-05 & 2005-06	CESTAT, Southern Bench
Customs Act, 1961	Differential Customs Duty on Import of Second hand Plant (including Interest & Penalty)	88.23	1994-95	CESTAT, Southern Bench

- x) The Company has accumulated losses of Rs.219.74 Lacs, and has incurred cash loss of Rs.374.68 Lacs in the current financial year. However, no cash loss was incurred in the immediately preceding financial year.
- xi) Based on our audit procedures, and as per the information and explanations given to us by the management, the company has not defaulted in repayment of dues to financial institutions and banks;
- xii) According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities;
- xiii) The provisions of any special statute applicable to chit fund, nidhi or mutual benefit fund / societies are not applicable to the company;
- xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments, and hence, the requirements of Para 4 (xiv) of the above Order are not applicable to the company;
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions;
- xvi) The term loan raised during the year as well as the existing term loan has been utilized for the purpose for which it was availed;
- xvii) According to the information and explanations given to us, in our opinion, short term funds have not been used for long term purposes.
- xviii) During the year, the company has not made any preferential allotment of shares.
- xix) The company does not have any outstanding debentures during the year.
- xx) The company has not raised any money by way of public issue during the year;
- xxi) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For SINGHI & CO.,  
Chartered Accountants  
(SUDESH CHORARIA)  
Partner  
Membership No. 204936  
FR No. 302049E**

**Place : Chennai,  
Date : 22nd May 2014.**

**BALANCE SHEET AS AT 31ST MARCH, 2014**

	Note No.	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	'2'	48,022,710	48,022,710
Reserves and Surplus	'3'	127,452,691	180,017,883
		175,475,401	228,040,593
<b>Non-Current Liabilities</b>			
Long-term Borrowings	'4'	259,258,090	220,357,630
Deferred Tax Liabilities (Net)	'5'	15,862,000	39,509,000
Other Long-term Liabilities	'6'	10,826,530	10,385,630
Long-term Provisions	'7'	2,862,633	2,822,048
		288,809,253	273,074,308
<b>Current Liabilities</b>			
Short-term Borrowings	'8'	64,954,949	14,609,470
Trade Payables	'9'	31,940,630	47,259,249
Other Current Liabilities	'10'	62,481,658	40,616,487
Short-term Provisions	'11'	1,803,893	9,158,510
		161,181,130	111,643,716
		<b>625,465,784</b>	<b>612,758,617</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	'12'	524,239,892	303,624,430
Intangible Assets	'13'	1,888,810	2,278,486
Capital Work-in-Progress	'14'	-	2,21,908,367
Non-Current Investments	'15'	7,721,285	95,500
Long-term Loans and Advances	'16'	4,734,129	4,721,469
		538,584,116	532,628,252
<b>Current Assets</b>			
Inventories	'17'	7,089,892	4,389,709
Trade Receivables	'18'	44,166,702	36,156,180
Cash and Bank Balances	'19'	7,728,380	7,268,200
Short-term Loans and Advances	'20'	25,942,505	30,726,478
Other Current Assets	'21'	1,954,189	1,589,798
		86,881,668	80,130,365
		<b>625,465,784</b>	<b>612,758,617</b>
<b>Significant Accounting policies</b>	'1'		

The accompanying notes are an integral part of the financial statements

As per our report annexed.,

For SINGHI & CO.,  
Chartered Accountants  
Firm Regn. No. 302049E

(SUDESH CHORARIA)

Partner

Membership No. 204936

1, Philips Street, Chennai 600 001,  
the 22nd day of May, 2014

For and on behalf of the Board

G.N. SARAF  
Chairman & Managing Director

RAJESH KUMAR SARAF  
Joint Managing Director

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

	Note No.	For the year ended 31/03/2014 Rs.	For the year ended 31/03/2013 Rs.
<b><u>REVENUES</u></b>			
Gross Revenue from Operations	'22'	279,627,539	268,861,877
Less: Excise Duty		21,599,139	22,776,527
Net Revenue from Operations		258,028,400	246,085,350
Other Income	'23'	997,361	5,414,276
Total Revenues		259,025,761	251,499,626
<b><u>EXPENSES</u></b>			
Purchases of Stock-in-Trade		-	-
Cost of Materials Consumed	'24'	10,127,420	10,122,488
Changes in Inventories	'25'	(2,341,595)	75,985
Employee Benefits Expenses	'26'	33,147,819	28,631,339
Power and Fuel	'27'	172,428,810	105,826,736
Finance Costs	'28'	35,661,085	14,620,626
Depreciation and Amortization	'29'	38,643,794	34,757,971
Other Expenses	'30'	47,469,993	51,570,543
Total Expenses		335,137,326	245,605,688
Profit before Tax		(76,111,565)	5,893,938
Tax Expenses:	'31'		
Current Tax (Including for earlier years)		100,627	2,500,000
Deferred Tax		(23,647,000)	(2,495,000)
Profit/ (Loss) for the year		(52,565,192)	5,888,938
<b>Earnings per Equity Share:</b>			
Basic (')		(10.95)	1.23
Diluted (')		(10.95)	1.41

The accompanying notes are an integral part of the financial statements

As per our report annexed.,  
For SINGH & CO.,  
Chartered Accountants  
Firm Regn. No. 302049E  
(SUDESH CHORARIA)  
Partner

For and on behalf of the Board For  
G.N. SARAF  
Chairman & Managing Director

RAJESH KUMAR SARAF  
Joint Managing Director

Membership No. 204936  
1, Philips Street, Chennai 600 001,  
the 22nd day of May, 2014

**NOTES TO THE FINANCIAL STATEMENTS****Nature of Operations:**

National Oxygen Limited was incorporated on 23rd December 1974 and is engaged in manufacturing of Industrial Gases and Wind Energy generation

**Basis of Preparation:**

The financial statements have been prepared to comply in all material respects with the accounting principles generally accepted in India, including mandatory Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) under the historical cost convention and on an accrual basis. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in the previous year .

All Assets and Liabilities have been classified as current or non current as per the company's normal operating cycle and other criteria specified in the Revised Schedule VI to the Companies Act, 1956. The company has presently determined 12 months as the normal Operating cycle for the purpose of classification of current and non current Assets and Liabilities.

**Significant Accounting Policies**

**A RECOGNITION OF INCOME & EXPENDITURE:** The company follows the Mercantile system of accounting and recognizes Income and Expenditure on accrual basis, except those with significant uncertainties.

**B FIXED ASSETS:**

- a) Fixed Assets are stated at cost net of Cenvat & Value added tax, depreciation and impairment. Cost of acquisition includes duties, taxes, incidental expenses, erection / commissioning expenses and interest etc. upto the date the asset is ready for its intended use.
- b) The Carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital. Based on the review, the management concluded that there was no indication of any impairment as at the Balance Sheet date.

**C DEPRECIATION:**

- a) Depreciation is being provided on Straight Line Method as per the rates and the manner specified in Schedule XIV of the Companies Act, 1956. On Addition/Sales Depreciation is being provided on Pro-rata basis. Assets individually costing upto Rs.5000/- are fully charged off in the year of addition.
- b) Lease hold Land is amortized over the lease period.
- c) In case of Impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**D INVESTMENTS:**

- a) Quoted / Unquoted Long term Investments are stated at cost unless there is a decline, other than temporary, in the value thereof, which is duly provided for in the Accounts.
- b) Current quoted investments are stated at lower of cost or market value on individual investment basis.



**E INVENTORIES:**

- a) Finished Goods – At cost (Computed on Annual Weighted Average) or net realisable value which ever is lower
- b) Raw Materials/Stores & Spare Parts – At Cost (Computed on FIFO basis) or net realisable value which ever is lower

**F FOREIGN CURRENCY TRANSACTIONS:**

Foreign currency transactions are recorded on the basis of exchange rate prevailing at the date of the transaction. Foreign currency monetary items are reported at the year end closing rates. Non monetary items which are carried at historical cost are reported using the exchange rate prevailing at the date of the transaction.

The exchange differences arising on settlement / year end restatement of monetary items are recognized in the Profit & Loss Account in the period in which they arise.

**G EMPLOYEE BENEFITS:**

Defined Benefits Plans: Gratuity liability is provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognized immediately in the statement of Profit & Loss Account as income or expenses.

Defined Contribution plans : Company's contribution to Provident Fund is charged to the Profit & Loss Account of the year when the contribution to the said fund is due. The Company has no obligations other than the contributions payable to the said Fund.

**H SALES:** Sales is net of discounts and rebate allowed to the customers.**I BORROWING COSTS:** Borrowing costs relating to acquisition/construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.**J TAXES ON INCOME :**

- a) Current Income Tax is provided as per the provisions of the Income tax Act 1961.
- b) Deferred Tax arising on account of timing difference, being the difference between taxable income & accounting income that originate in one period and are capable of reversal in one or more subsequent periods, are recognised at the income tax rates enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realised in subsequent periods.

**K PROVISIONS:**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

**L CONTINGENT LIABILITIES:** Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of "Notes" to the accounts.

**2. Share Capital:****A. Authorized, Issued, Subscribed and Paid-up Share Capital**

	As at	
	31/03/2014 Rs.	31/03/2013 Rs.
<b>Authorized:</b> <b>50,00,000'</b> (Previous year '50,00,000') Equity Shares of ` 10/- each.	50,000,000	50,000,000
<b>Issued:</b> <b>48,02,271'</b> (Previous year '48,02,271') Equity Shares of ` 10/- each - (a)	4 8,022,710	48,022,710
<b>Subscribed :</b> 48,02,271' (Previous year '48,02,271') Equity Shares of ` 10/- each fully paid-up	48,022,710	48,022,710
<b>Paid-up:</b> 48,02,271' (Previous year '48,02,271') Equity Shares of ` 10/- each fully paid-up	48,022,710	48,022,710
	<b>48,022,710</b>	<b>48,022,710</b>

**B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:**

	2013-14		2012-13	
	Nos.	Rs.	Nos.	Rs.
Equity Shares outstanding at the beginning of the year	4,802,271	4 8,022,710	3,116,550	31,165,500
Add: Equity Shares allotted during the year	-	-	1 ,685,721	16,857,210
Less: Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	<b>4,802,271</b>	<b>4 8,022,710</b>	<b>4,802,271</b>	<b>48,022,710</b>

- C. The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting.
- D. For the year ended 31st March, 2014, the Board of Directors of the Company have recommended dividend of Rs. Nil (Previous year ` Re.1 per share) to equity shareholders aggregating to Rs.Nil (Previous year 480,2,271). Together with the Corporate Dividend Distribution Tax of Rs.Nil (Previous year 8,16,146 ), the total payout will be ` Rs.Nil (Previous year Rs.56,18,417)

**Note to the Financial Statements (Contd...)****E. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:**

Name of shareholder	As at 31/03/2014		As at 31/03/2013	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
1 Rajesh Kumar Saraf	618,400	12.88%	618,400	12.88%
2 Gajanand Saraf	794,108	16.54%	794,108	16.54%
3 Sarita Saraf	286,198	5.96%	286,198	5.96%
4 Veena Devi Saraf	361,871	7.54%	361,871	7.54%
5 Saraf Housing Department Pvt. Ltd.	252,885	5.27%	252,885	5.27%
<b>Total</b>	<b>2,313,462</b>	<b>48.19%</b>	<b>2,313,462</b>	<b>48.19%</b>

	As at	
	31/03/2014	31/03/2013
	Rs.	Rs.
<b>3. Reserves and Surplus:</b>		
Capital Reserve	4,000,000	4,000,000
Securities Premium Account		
Balance at the beginning of the year	77,838,890	10,410,050
Add : Received during the year	-	67,428,840
	<u>77,838,890</u>	<u>77,838,890</u>
General Reserve	<u>67,588,248</u>	<u>67,588,248</u>
	149,427,138	149,427,138
Surplus i.e. balance in Statement of Profit and Loss (b)	<u>(21,974,447)</u>	<u>30,590,745</u>
	<b><u>127,452,691</u></b>	<b><u>180,017,883</u></b>

(a). Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

	As at			As at			As at 31/03/2014
	31/03/2012	Additions	Deductions	31/03/2013	Additions	Deductions	
Capital Reserve	4,000,000	-	-	4,000,000	-	-	4,000,000
Securities Premium Account	10,410,050	67,428,840	-	77,838,890	-	-	77,838,890
General Reserve	66,988,248	600,000	-	67,588,248	-	-	67,588,248
	<b>81,398,298</b>	<b>68,028,840</b>	<b>-</b>	<b>149,427,138</b>	<b>-</b>	<b>-</b>	<b>149,427,138</b>

**Notes to the Financial Statements (Contd...)**

(b). Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:

	As at	
	31/03/2014	31/03/2013
	Rs.	Rs.
Opening Balance	30,590,745	30,920,224
Add: Profit for the period	(52,565,192)	5,888,938
	<u>(21,974,447)</u>	<u>36,809,162</u>
Less: Proposed Dividend on Equity Shares (including Dividend Distribution tax Rs.816146)	-	5,618,417
Less: Transfer to General Reserve	-	600,000
Closing Balance	<b><u>(21,974,447)</u></b>	<b><u>30,590,745</u></b>

**4. Long-term Borrowings****Secured**

Term Loans:

From Banks	261,322,614	251,557,630
Less Current Portion disclosed under current liabilities	<u>5,096,492</u>	<u>31,200,000</u>
	<u>210,357,702</u>	<u>220,357,630</u>

**Unsecured**

Other Loans and Advances

	48,900,388	-
	<u>48,900,388</u>	<u>-</u>
	<b><u>259,258,090</u></b>	<b><u>220,357,630</u></b>

(a). Nature of security for secured borrowings are given below:

Term Loans are Secured by Equitable Mortgage of Leasehold Land & Building and hypothecation of the assets acquired for the new Project and further secured by way of first charge on the block of other movable Assets and future receivables of the company, present and future, and guaranteed by the Managing and Joint Managing Director of the Company

**5. Deferred Tax Liabilities (Net)**

Major components of Deferred Tax raising of temporary timing differences are given below:

**Deferred Tax Liabilities**

Depreciation and Amortization Expenses	65,055,000	40,617,000
Other Timing Differences	-	-
	<u>65,055,000</u>	<u>40,617,000</u>

**Deferred Tax Assets**

Expenses/ Provisions Allowable	1,108,000	1,108,000
Carry forward Losses	48,085,000	-
Other Timing Differences	-	-
	<u>49,193,000</u>	<u>1,108,000</u>

**Deferred Tax Liabilities (Net)**

	<b><u>15,862,000</u></b>	<b><u>39,509,000</u></b>
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**Notes to the Financial Statements (Contd...)**

		As at	
		31/03/2014	31/03/2013
		<u>Rs.</u>	<u>Rs.</u>
<b>6</b>	<b>Other Long-term Liabilities</b>		
	Trade Payables	-	-
	Security and other Deposits	10,826,530	10,385,630
		<b><u>10,826,530</u></b>	<b><u>10,385,630</u></b>
<b>7</b>	<b>Long-term Provisions</b>		
	Provision for Employee Benefits	2,862,633	2,822,048
	Other Provisions	-	-
		<b><u>2,862,633</u></b>	<b><u>2,822,048</u></b>
<b>8</b>	<b>Short-term Borrowings :</b>		
	<b>Secured</b>		
	Loans repayable on demand		
	From Banks (a)	61,276,544	14,609,470
	Loans against Fixed Deposits (a)(ii)	3,678,405	-
		<b><u>64,954,949</u></b>	<b><u>14,609,470</u></b>
(a). Nature of security for secured borrowings are given below:			
i) Cash Credit Loan from Bank is secured by hypothecation of Finished Goods, Raw Materials, Work in Process, Stores & Spares and Book Debts of the Company and second charge on Fixed Assets of the Company and guaranteed by the Managing and Joint Managing Director of the Company			
ii) Loan against Fixed Deposits are secured by way of Lien on the respective Fixed Deposits			
<b>9</b>	<b>Trade Payables</b>		
	Payable to Micro, Small and Medium Enterprises	-	-
	Payable to Other Entities	31,940,630	47,259,248
		<b><u>31,940,630</u></b>	<b><u>47,259,248</u></b>
<b>10</b>	<b>Other Current Liabilities</b>		
	Current maturities of long-term borrowings	50,964,912	31,200,000
	Unpaid Dividends	985,305	1,096,521
	Customers' Credit Balances and Advances against orders	1,051,455	132,541
	Statutory dues Payable	2,061,504	3,111,796
	Other Liabilities	7,418,482	5,075,629
		<b><u>62,481,658</u></b>	<b><u>40,616,487</u></b>
<b>11</b>	<b>Short-term Provisions</b>		
	Employee Benefits	1,803,893	1,606,000
	Proposed Dividend (including Dividend Distribution Tax)	-	5,618,417
	Provision for Current Tax (Net of Advance Tax)	-	1,934,093
		<b><u>1,803,893</u></b>	<b><u>9,158,510</u></b>

**Notes to the Financial Statements (Contd...)****12 Tangible Assets****A. Summary of cost and net carrying amount of each class of tangible assets are given below:**

Rs.

Asset description	Original Cost		Accumulated Depreciation		Accumulated Impairment		Net Carrying Amount	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
Leasehold Land	12,037,345	12,037,345	1,708,724	1,563,492	-	-	10,328,621	10,473,853
Freehold Land	2,613,022	2,613,022	-	-	-	-	2,613,022	2,613,022
Buildings	83,302,451	51,116,914	12,025,922	9,945,172	-	-	71,276,529	41,171,742
Plant and Equipment	637,338,404	413,654,176	208,202,529	174,366,450	-	-	429,135,875	239,287,726
Furniture and Fixtures	1,600,099	1,384,458	1,021,895	829,068	-	-	578,204	555,390
Vehicles	11,042,593	9,288,990	6,472,626	5,410,945	-	-	4,569,966	3,878,045
Office Equipment	10,807,400	9,814,828	5,069,724	4,170,176	-	-	5,737,675	5,644,651
	<b>758,741,313</b>	<b>499,909,733</b>	<b>234,501,421</b>	<b>196,285,303</b>	<b>-</b>	<b>-</b>	<b>524,239,892</b>	<b>303,624,430</b>

**Notes to the Financial Statements (Contd...)**

(Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31-03-2014 are as under:

**Original Cost**

Rs.

Asset description	As at 31/03/2013	Additions	Disposals	Other Adjustments	As at 31/03/2014
Leasehold Land	12,037,345	-	-	-	12,037,345
Freehold Land	2,613,022	-	-	-	2,613,022
Buildings	51,116,914	32,185,536	-	-	83,302,451
Plant and Equipment	413,654,176	223,684,228	-	-	637,338,404
Furniture and Fixtures	1,384,458	215,641	-	-	1,600,099
Vehicles	9,288,990	1,753,603	-	-	11,042,593
Office Equipment	9,814,828	992,572	-	-	10,807,400
	<b>499,909,733</b>	<b>258,831,580</b>	-	-	<b>758,741,313</b>
Previous Year	529,432,295	53,078,242	82,600,804	-	499,909,733

**Accumulated Depreciation**

Asset description	As at 31/03/2013	Additions	Deductions Other Adjst.	As at 31/03/2014
Leasehold Land	1,563,492	145,232	-	1,708,724
Freehold Land	-	-	-	-
Buildings	9,945,172	2,080,750	-	12,025,922
Plant and Equipment	174,366,450	33,836,079	-	208,202,529
Furniture and Fixtures	829,068	192,827	-	1,021,895
Vehicles	5,410,945	1,061,681	-	6,472,626
Office Equipment	4,170,176	899,548	-	5,069,724
	<b>196,285,303</b>	<b>38,216,118</b>	-	<b>234,501,421</b>
Previous Year	235,070,093	34,289,911	73,074,701	196,285,303

**Notes to the Financial Statements (Contd...)****Notes to the Financial Statements (Contd...)****13 Intangible Assets**

Summary of cost and net carrying amount of each class of intangible assets are given below:  
Rs.

Asset description	Cost		Accumulated Amortization		Accumulated Impairment		Net Carrying Amount	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
Computer Software	3,299,063	3,261,063	1,410,253	982,577	-	-	1,888,810	2,278,486
	<b>3,299,063</b>	<b>3,261,063</b>	<b>1,410,253</b>	<b>982,577</b>	-	-	<b>1,888,810</b>	<b>2,278,486</b>

(a). Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31-03-2014 are as under:

**Original Cost**

Rs.

Asset description	As at 31/03/2013	Additions	Disposals	Other Adjst.	As at 31/03/2014
Computer Software	3,261,063	38,000	-	-	3,299,063
	<b>3,261,063</b>	<b>38,000</b>	-	-	<b>3,299,063</b>
Previous Year	2,608,778	652,285	-	-	3,261,063

**Accumulated Amortization**

Asset description	As at 31/03/2013	Additions	Deductions/ Other Adjst.	As at 31/03/2014
Computer Software	982,577	427,676	-	1,410,253
	<b>982,577</b>	<b>427,676</b>	-	<b>1,410,253</b>
Previous Year	514,517	468,060	-	982,577



**14 Capital Work-in-Progress**

	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
Construction Work-in-Progress	-	199,551,260
Expenditure during Construction pending allocation - (a)	-	<u>22,357,107</u>
	-	<b><u>221,908,367</u></b>
(a). Detail of expenditure during construction pending allocation are given below:		
Expenditure during the year:		
Employee Benefits Expenses	1,929,930	1,648,900
Power & Fuel	18,482,829	-
Consumption of Stores and Spares	1,042,399	
Freight and Forwarding Expenses (Net)	638,878	
Sales	(15,958,378)	
Rates & Taxes	-	96,000
Insurance	-	82,585
Travelling & Conveyance	521,492	1,278,783
Miscellaneous Expenses	1,215,225	672,610
Rights Issue Expenses	-	5,895,284
Finance Cost	<u>8,004,252</u>	<u>10,474,637</u>
	15,876,627	20,148,799
Add: Balance brought forward from previous year	<u>22,357,107</u>	<u>2,990,331</u>
	38,233,734	23,139,130
Less: Amount allocated to Fixed Assets	<u>38,233,734</u>	<u>782,023</u>
Balance pending allocation	-	<b><u>22,357,107</u></b>

**15 Non-Current Investments**

	Face value per Unit	31/03/2014 Nos.	31/03/2013 Nos.	Rs.	Rs.
<b>Investments - Other than Trade</b>					
<b>i. Investments in Equity Instruments Unquoted:</b>					
Pondicherry Agro Foods Pvt Ltd Associates	` 10	9,000	9,000	90,000	90,000
Beta Wind Farm Pvt Ltd	` 10	64,515	-	1,225,785	
Clarion Wind Farm Pvt Ltd	` 10	640,000	-	6,400,000	
				<u>7,715,785</u>	<u>90,000</u>

## Notes to the Financial Statements (Contd...)

## Notes to the Financial Statements (Contd...)

	As at 31/03/2014	As at 31/03/2013
	Rs.	Rs.
ii. <b>Investments in Government Securities</b>		
<b>Unquoted:</b>		
National Savings Certificate	5,000	5,000.00
Indira Vikas Patra	<u>500</u>	<u>500.00</u>
	<u>5,500</u>	<u>5,500.00</u>
	<b><u>7,721,285</u></b>	<b><u>95,500</u></b>
Aggregate amount of Unquoted Investments	<u>7,721,285</u>	<u>95,500</u>
<b>16 Long-term Loans and Advances:</b> (Unsecured, Considered Good)		
Capital Advances		
Security Deposits	4,734,129	4,721,469
Other loans and advances	-	-
	<u>4,734,129</u>	<u>4,721,469</u>
<b>17 Inventories:</b>		
Raw Materials (Stock in Transit Rs.Nil)	2,561,325	2,612,374
Finished Goods	3,562,098	945,527
Stores and Spares	<u>966,469</u>	<u>831,808</u>
	<b><u>7,089,892</u></b>	<b><u>4,389,709</u></b>
<b>18 Trade Receivables:</b>		
Outstanding for a period exceeding six months (from the due date)		
Unsecured, Considered Good	4,279,822	5,045,728
Unsecured, Considered Good	<u>39,886,880</u>	<u>31,110,452</u>
Outstanding for a period less than six months	<b><u>44,166,702</u></b>	<b><u>36,156,180</u></b>
<b>19 Cash and Bank Balances:</b>		
<b>Cash and Cash Equivalents</b>		
Balance with Banks:		
Deposits with less than 3 months initial maturity		
Current Accounts	96,774	217,352
Cash on hand	<u>174,944</u>	<u>409,605</u>
	<u>271,718</u>	<u>626,957</u>
<b>Other Balances</b>		
Balance with Banks:		
Unpaid Dividend Accounts	985,305	1,096,521
Margin Money Deposit Accounts	6,471,357	5,544,722
Deposits maturing within 12 months	-	-
	<u>7,456,662</u>	<u>6,641,243</u>
	<b><u>7,728,380</u></b>	<b><u>7,268,200</u></b>

**Notes to the Financial Statements (Contd...)**

	As at 31/03/2014 Rs.	As at 31/03/2013 Rs.
<b>20 Short-term Loans and Advances</b>		
Security Deposits		
Unsecured, Considered Good	2,560,962	2,060,100
Other loans and advances		
Unsecured, Considered Good (a)	23,310,664	28,666,378
Advance Income Tax & TDS (net of provision)	70,879	-
	<b>25,942,505</b>	<b>30,726,478</b>
(a). Other loans and advances mainly include prepaid expenses, advances to suppliers and service providers, advance and loans to employees, CENVAT/ VAT/ Service Tax credit receivable, etc.		
<b>21 Other Current Assets</b>		
Interest Accrued on Deposits	1,954,189	1,589,798
Other Receivables	-	-
	<b>1,954,189</b>	<b>1,589,798</b>
<b>22 Revenue from Operations:</b>		
a) Sale of Products		
Sale of Industrial Gases	273,721,268	249,613,733
Sale of Wind Energy	16,991,117	15,345,283
Sales of other products	693,473	513,245
	291,405,858	265,472,261
Less: Transfer to Capital Work-in-Progress	15,958,378	-
Less: Excise Duty	21,599,139	22,776,527
	253,848,341	242,695,734
b) Facility Charges/ Cylinder holding charges etc	3,239,915	2,849,558
c) Other Operating Revenues		
Liabilities/ Provisions no longer required written back	263,844	184,299
Bad Debts Recovered	356,760	
Miscellaneous Receipts and Claims	319,540	355,759
Net Revenue from Operations	<b>258,028,400</b>	<b>246,085,350</b>
<b>23 Other Income:</b>		
Interest Income		
On Long-term Investments	-	-
On Deposits etc (a)	456,561	1,965,041
Gain / (Loss) on foreign currency transactions and translation (Net)	-	3,449,235
Profit/ (Loss) on Fixed Assets sold/ discarded (Net)	540,800	-
	<b>997,361</b>	<b>5,414,276</b>
(a). Interest Income is gross of tax deducted at source amounting to Rs. 59,580 (Previous year Rs.1,92,005)		

**Notes to the Financial Statements (Contd...)**

	<b>Year ended</b>	
	<b>31/03/2014</b>	<b>31/03/2013</b>
	Rs.	Rs.
<b>24 Cost of Materials Consumed:</b>		
Opening Stock	2,612,374	1,266,455
Add: Purchases	<u>10,076,371</u>	<u>11,468,407</u>
	12,688,745	12,734,862
Less: Closing Stock	<u>2,561,325</u>	<u>2,612,374</u>
	<b><u>10,127,420</u></b>	<b><u>10,122,488</u></b>
<b>Details of Raw Materials Consumed</b>		
Calcium Carbide	10,127,420	10,122,488
Others	-	-
<b>25 Changes in Inventories:</b>		
<b>Opening Inventories</b>		
Finished Goods	945,527	1,016,460
Stock-in-Trade	<u>-</u>	<u>-</u>
	945,527	1,016,460
Less: Closing Inventories		
Finished Goods	3,562,098	945,527
Stock-in-Trade	<u>-</u>	<u>-</u>
	<u>3,562,098</u>	<u>945,527</u>
	(2,616,571)	70,933
Add: Increase/ Decrease of Excise Duty on Inventories	<u>274,976</u>	<u>5,052</u>
	<b><u>(2,341,595)</u></b>	<b><u>75,985</u></b>
<b>26 Employee Benefits Expenses:</b>		
Salaries and Wages	30,067,725	24,471,547
Contribution to Provident and other Funds	2,782,310	2,140,333
Employees Welfare Expenses	<u>2,227,714</u>	<u>3,668,359</u>
	35,077,749	30,280,239
Less: Transfer to Capital Work-in-Progress	<u>1,929,930</u>	<u>1,648,900</u>
	<b><u>33,147,819</u></b>	<b><u>28,631,339</u></b>
<b>27 Power and Fuel:</b>		
Power and Fuel	190,911,639	105,826,736
Less: Transfer to Capital Work-in-Progress	<u>18,482,829</u>	<u>-</u>
	<b><u>172,428,810</u></b>	<b><u>105,826,736</u></b>
<b>28 Finance Costs:</b>		
Interest Expenses	35,064,747	23,764,672
Other Borrowing Costs	<u>8,600,590</u>	<u>1,330,591</u>
	43,665,337	25,095,263
Less: Transfer to Capital Work-in-Progress	<u>8,004,252</u>	<u>10,474,637</u>
	<b><u>35,661,085</u></b>	<b><u>14,620,626</u></b>
<b>29 Depreciation and Amortization Expenses:</b>		
Depreciation	38,216,118	34,289,911
Amortization Expenses	<u>427,676</u>	<u>468,060</u>
	<b><u>38,643,794</u></b>	<b><u>34,757,971</u></b>

**Notes to the Financial Statements (Contd...)**

	<b>Year ended</b>	
	<b>31/03/2014</b>	<b>31/03/2013</b>
	Rs.	Rs.
<b>30 Other Expenses:</b>		
Consumption of Stores and Spares	6,067,717	5,483,806
Repairs to Buildings	1,746,029	5,342,877
Repairs to Machinery	4,660,038	4,012,847
Rates and Taxes	414,226	378,377
Rent	1,222,000	1,219,500
Insurance	923,547	635,658
Auditors' Remuneration - (a)	158,428	146,068
Travelling & Conveyance Expenses	2,513,508	5,981,484
Freight and Forwarding Expenses (Net)	18,252,560	12,364,146
Bad Loans, Advances and Debts written off/ (written back) (Net)	-	1,260,257
Prior Period Items (Net)	-	(55,988)
Donation	-	2,311,000
Rights issue Expenses	-	5,895,284
Directors' Remuneration	4,640,000	3,180,000
Directors' Sitting Fees	34,750	60,000
(Gain)/ Loss on foreign currency transactions and translation (Net)	1,452,404	-
Loss/ (Profit) on Fixed Assets sold / discarded (Net)	-	2,899,249
Miscellaneous Expenses	<u>8,802,779</u>	<u>8,481,240</u>
	50,887,987	59,595,805
Less: Transfer to Capital Work-in-Progress	<u>3,417,994</u>	<u>8,025,262</u>
	<b><u>47,469,993</u></b>	<b><u>51,570,543</u></b>
 (a). Details of Auditors' Remuneration are as follows:		
Statutory Auditors:		
Audit Fees	95,506	95,506
Taxation matters	33,708	33,708
Others	<u>29,214</u>	<u>16,854</u>
	158,428	146,068
<b>31 Tax Expenses</b>		
<b>Current Tax</b>		
Current Tax for the year	-	2,500,000
Current Tax adjustments for earlier years (Net)	<u>100,627</u>	-
	<b><u>100,627</u></b>	<b><u>2,500,000</u></b>
<b>Deferred Tax</b>		
Deferred Tax for the year	(23,647,000)	(2,495,000)
Deferred Tax adjustments for earlier years (Net)	-	-
	<b><u>(23,647,000)</u></b>	<b><u>(2,495,000)</u></b>

**Notes to the Financial Statements (Contd...)**

**32** Disclosure required by Accounting Standard (AS) 15 (Revised) on "Employee Benefits":  
The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

A. Gratuity - Defined Benefit Scheme (based on actuarial valuation):

	<b>Year ended</b>	
	<b>31/03/2014</b>	<b>31/03/2013</b>
	(Rs. in Lacs)	
<b>(a). Change in Defined Benefit Obligations:</b>		
Present value of Defined Benefit Obligations at the beginning of the year	44.28	36.06
Current Service Cost	3.47	3.09
Interest Cost	3.41	2.86
Actuarial Loss / (Gain)	(1.24)	2.97
Benefits Paid	(3.25)	(0.70)
Present value of Defined Benefit Obligations at year end	<u>46.67</u>	<u>44.28</u>
<b>(b). Change in Fair value of Plan Assets:</b>		
Fair value of Plan Assets at the beginning of the year	-	-
Actuarial Gain/ (Loss)	-	-
Contributions	3.25	0.70
Benefits Paid	(3.25)	(0.70)
Fair value of Plan Assets at the year end	<u>-</u>	<u>-</u>
<b>(c). Amount recognised in Balance Sheet:</b>		
Fair value of Plan Assets at the year end	-	-
Present value of Defined Benefit Obligations at year end	<u>46.67</u>	<u>44.28</u>
Amount recognised in Balance Sheet at year end	<u>(46.67)</u>	<u>(44.28)</u>
<b>(d). Expenses recognised in Statement of Profit and Loss:</b>		
Current Service Cost	3.47	3.09
Interest Cost	3.41	2.86
Actuarial Loss / (Gain)	(1.24)	2.97
Expenses recognised in Statement of Profit and Loss during the year	<u>5.64</u>	<u>8.92</u>

	Year ended	
	31/03/2014	31/03/2013
	(Rs. in Lacs)	
<b>(e). Investments details of Plan Assets:</b>		
Government Securities	-	-
	-	-
<b>(f). Principal Actuarial Assumptions:</b>		
Discount rate	9.00%	8.00%
Salary increase	5.00%	5.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

\* The Management has relied on the overall actuarial valuation conducted by the actuary.

33 Contingent Liabilities and Commitments	As at	
	31/03/2014	31/03/2013
<b>A. Contingent Liabilities</b>		
(a). Claims against the company not acknowledged as debt:		
Excise Duty / Service Tax	5,903,781	5,903,781
Customs Duty	8,823,578	8,823,578
(b). Outstanding Letters of Credit and Bank Guarantees	25,678,576	19,322,154
<b>B. Commitments</b>		
(a). Estimated amount of contracts remaining to be executed on capital account and not provided for	-	112,982,500

### 34 Segment Reporting

#### A. Primary Segment Reporting (by Business Segment):

(a). Segments have been identified in line with the Accounting standard on Segment Reporting (AS-17), taking into account the organisational structure, risk return profile of individual business and internal reporting system of the Company. Details of the businesses included in each of the segments are as under:

- Industrial Gases - Manufacture of Industrial Gases
- Windmill - Generation of Windmill energy.

Year ended

(b). The details of the revenue, results, assets, liabilities and other information for the year ended 31/03/2014 and 31/03/2013 operations by reportable business segments are follows:

	Year ended 31-03-2014			Year ended 31-03-2013		
	Industrial Gases	Wind Mill	Total	Industrial Gases	Wind Mill	Total
<b>REVENUE</b>						
External	240,097,139	16,991,117	257,088,256	230,200,010	15,345,283	245,545,293
Inter Segment	-	-	-	-	-	-
Total	240,097,139	16,991,117	257,088,256	230,200,010	15,345,283	245,545,293
<b>RESULTS</b>						
Segment Results	(43,549,530)	3,903,233	(39,646,297)	14,844,411	2,364,945	17,209,356
Unallocated Corporate Income			(997,361)			(1,965,041)
Unallocated Corporate Expenses			193,178			5,270,249
Finance Costs			35,661,085			14,620,626
Tax Expenses (Net)			(23,546,373)			5,000
Profit for the period			(52,565,192)			5,888,938
<b>OTHER INFORMATION</b>						
<b>Assets:</b>						
Segment Assets	605,610,322	18,703,778	624,314,100	574,039,050	37,527,545	611,566,596
Unallocated Corporate Assets			1,151,684			1,192,021
Total Assets			625,465,784			612,758,617
<b>Liabilities:</b>						
Segment Liabilities	249,302,528	-	249,302,528	337,942,486	-	337,942,486
Unallocated Corporate Liabilities			376,163,256			274,816,131
Total Liabilities			625,465,784			612,758,617
Capital Expenditure	36,961,213	-	36,961,213	266,300,857	-	266,300,857
Depreciation and Amortization	28,264,030	10,379,764	38,643,794	24,378,207	10,379,764	34,757,971
Other Non-Cash Expenses	-	-	-	-	-	-

Note: All Income , Revenue, Assets and Liabilities pertain to a single geographical segment within India. Hence no separate Geographical segment disclosures are required.



**35 Earning per Share (EPS)**

Profit/ (Loss) for the period Rs.	(52,565,192)	5,888,938
Weighted average number of shares used in the calculation of EPS:		
Weighted average number of Basic Equity Shares outstanding	4,802,271	4,802,271
Weighted average number of Diluted Equity Shares outstanding	4,802,271	4,164,930
Face value of per share	10	10
Basic EPS (₹)	(10.95)	1.23
Diluted EPS (₹)	(10.95)	1.41

**36** The company has not been informed by any supplier of being covered under Micro, Small and Medium Enterprises Development Act, 2006. As a result, no interest provision/payments have been made by the Company to such creditors, if any, and no disclosures are made in these accounts.

**37 Related Party Disclosures:**

A. Disclosure on Related Parties as required by AS-18 "Related Party Disclosures" are given below:

a) Key Management Personnel of the Company :-

- |                              |                         |
|------------------------------|-------------------------|
| i) Shri. G.N. Saraf          | Managing Director       |
| ii) Shri. Rajesh Kumar Saraf | Joint Managing Director |
| iii) Smt. Veenadevi Saraf    |                         |

b) Enterprises over which certain Key Management Personnel (K.M.P) exercise significant influence :-

- i) Pondicherry Agro Foods Pvt. Ltd. (PAF)
- ii) ECA Gases Pvt. Ltd. (ECA)
- iii) Approach Marketing Pvt. Ltd. (AMP)

c) Relatives of Key Management Personnel of the Company

Year ended

- B. The particulars given above have been identified on the basis of information available to the company.

	2013-2014			2012-2013		
	PAF	ECA	AMP	PAF	ECA	AMP
<b>Transactions for year ended 31st March:</b>						
Sales of Products		9,665			34,881	
Purchase of Goods		38,527			113,529	
Interest paid			3,333,764			-
<b>Outstanding balances as at 31st March:</b>						
Trade Receivables						
Trade Payables		124,703			86,269	
Investments	90,000			90,000		
Unsecured Loans received			48,900,388			-

~~31/03/2014~~ — ~~31/03/2013~~**C Key Managerial Personnel:**

Managerial Remuneration (including perquisites) *	6,019,037	3,743,375
*Excluding gratuity, leave encashment provisions		
Rent paid	1,200,000	1,200,000

- 38** The company had commissioned its new Plant at Perundurai during the year. The Trial run expenses (net of sales revenue) incurred upto the date of commencement of commercial production has been capitalised by the company .
- 39** Foreign Currency exposure in respect of Sundry Creditors amounting to Rs.116.94 Lacs (Previous Year Rs.Nil) are not hedged as on the Balance Sheet date.

**40** Detail of Sales, Raw Material Consumption, Inventories, etc. under broad heads are given below:

A. C.I.F. value of imports by the Company		
<b>Raw Materials</b>	<b>2013-14</b>	<b>2012-13</b>
Calcium Carbide	9,777,898	6,959,984
Capital Goods	1,916,186	116,988,050
B. Expenditure in foreign currency during the year:		
Travelling Expenses	-	665,996

C. Value of Raw Materials and Stores and Spares consumed during the year :

	Value Rs.		Percentage (%)	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013
Raw Materials:				
Imported	9,448,224	7,670,385	93.34%	75.78%
Indigenous	674,264	2,452,103	6.66%	24.22%
	10,122,488	10,122,488		
Stores and Spares:				
Imported	-	-	-	-
Indigenous	6,067,717	5,483,806	100%	100%
	6,067,717	5,483,806		

**41** The previous year figures have been reclassified/ rearranged / regrouped wherever necessary

As per our report annexed.,  
For SINGHI & CO.,  
Chartered Accountants  
Firm Regn. No. 302049E

(SUDESH CHORARIA)  
Partner

Membership No. 204936  
1, Philips Street, Chennai 600 001,  
the 22nd day of May, 2014

For and on behalf of the Board For  
G.N. SARAF  
Chairman & Managing Director

RAJESH KUMAR SARAF  
Joint Managing Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>Year ended 31/03/2014</b>	<b>Year ended 31/03/2013</b>
	<b>Rs.</b>	<b>Rs.</b>
Profit before Tax	(76,111,565)	5,893,938
Adjustment for :		
Finance Costs	35,661,085	14,620,626
Depreciation and Amortization Expenses	38,643,794	34,757,971
(Profit) / Loss on sale of Fixed Assets (Net)	( 540,800)	2,899,249
Interest & Dividend Income	(456,561)	(1,965,041)
Operating profit before working capital changes	(2,804,047)	56,206,743
Changes in working Capital:		
Inventories	(2,700,183)	(977,346)
Trade and other Receivables	(3,520,062)	(29,044,116)
Long Term Liabilities and Provisions	481,485	(369,624)
Trade and other Payables	(13,020,466)	38,013,375
Cash generation from Operations	(21,563,274)	63,829,032
Payment of Direct Taxes	(2,105,599)	(1,808,087)
<b>Net Cash generated/ (used) - Operating Activities</b>	<b>(23,668,873)</b>	<b>62,020,945</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES]</b>		
Purchase of Fixed Assets	(36,961,212)	(266,300,857)
Purchase of Investment	(7,625,785)	-
Long term Advances made	(12,660)	(12,530)
Sale of Fixed Assets	540,800	6,626,854
Interest Received	456,561	1,920,041
Dividend Received	-	45,000
<b>Net Cash Generated/ (Used) - Investing Activities</b>	<b>(43,602,296)</b>	<b>(257,721,492)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Share Application Money pending allotment	-	-
Proceeds from Rights Issue	-	54,286,050
Proceeds from Long-term Borrowings	89,865,372	167,650,243
Repayment of Long-term Borrowings	(31,200,000)	(32,631,681)
Proceeds/ Repayment of Short-term Borrowings (Net)	50,345,479	9,296,749
Finance Cost Paid	(35,661,085)	(14,620,626)
Dividend Paid (including Dividend Distribution Tax)	(5,618,417)	(4,213,868)
<b>Net Cash Generated/ (Used) - Financing Activities</b>	<b>67,731,349</b>	<b>179,766,867</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>460,180</b>	<b>(15,933,681)</b>
Add : Opening Cash and Cash Equivalents	7,268,200	23,201,881
Closing Cash and Cash Equivalents	<b>7,728,380</b>	<b>7,268,200</b>

**Notes:**

1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting
2. Figures have been regrouped/ rearranged wherever necessary.

As per our report annexed.,  
For SINGHI & CO.,  
Chartered Accountants  
Firm Regn. No. 302049E  
(SUDESH CHORARIA)  
Partner  
Membership No. 204936  
1, Philips Street, Chennai 600 001,  
the 22nd day of May, 2014

For and on behalf of the Board For  
G.N. SARAF  
Chairman & Managing Director  
  
RAJESH KUMAR SARAF  
Joint Managing Director

**NATIONAL OXYGEN LIMITED**

Regd. Office: 80 (Old No. 141) Greams Road, Chennai - 600 006.

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L24111TN1974PLC006819  
Name of the company: National Oxygen Limited  
Registered office: No.141, Greams Road,  
Opp.Greams Road Post Office, Chennai -6

Name of the member (s):  
Registered address:  
E-mail Id:  
Folio No/ Client Id:  
DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

- |   |   |
|---|---|
| 1. Name:<br>Address:<br>E-mail Id:<br>Signature:....., or failing him | 2. Name:<br>Address:<br>E-mail Id:<br>Signature:....., or failing him |
| 3. Name:<br>Address:<br>E-mail Id:<br>Signature:....., or failing him |   |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual general meeting, to be held on Friday, the 12th day of September 2014 At 09:30 a.m. at Hotel Kanchi, 28, Ethiraj Salai, Egmore, Chennai 600 008 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Consider and adopt the Audited Statements of Account for the year ended 31st March, 2014 and the Reports of Directors and the Auditors thereon.
2. Re-appointment of Smt. Veena Devi Saraf who retires by rotation as a whole time Director
3. Appointment of M/s. Singhi & Co., Chartered Accountants as statutory auditors and fixing their remuneration.
4. Appointment of Mr. Perumal Siva, as an Independent Director.
5. Appointment of Mr. Anil Kumar Seth as a Independent Director.
6. Appointment of Mr. Dev Mohan Mohunta as a Independent Director.
7. Authorisation to Board of Directors for borrowing any sum or sums of money.
8. Authorisation to sell, lease or dispose the whole or substantially the whole of the undertaking.
9. Adoption of new Articles of Association

1.Re  
Revenue  
Stamp

Signed this..... day of..... 2014

Signature of shareholder

Signature of Proxy holder(s)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**NATIONAL OXYGEN LIMITED**

Regd. Office: 80 (Old No. 141) Greams Road, Chennai - 600 006.  
CIN: L24111TN1974PLC006819

**ATTENDANCE SLIP**

I hereby record my Presence at the Thirty Ninth Annual General Meeting of the Company being held at Hotel Kanchi, 28, Ethiraj Salai, Egmore, Chennai - 600 008 on Friday, the 12th September, 2014 at 9.30 a.m.

Full Name of the Member attending / Proxy

Signature

Folio No./DP.ID/CL.ID  
No. of Shares held.

**NOTE:**

Members attending the meeting in person are requested to complete the attendance slip and hand it over at the entrance of the meeting hall. No attendance slip will be issued at the time of Meeting.

#### **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measures, members who have not registered their e-mail addresses, so far, are requested to give their consent by providing their e-mail Id to the Company's Registrar and Share Transfer Agent, M/s. Cameo Corporate Services Ltd, to the e-mail ID i.e., [murali@cameoindia.com](mailto:murali@cameoindia.com)

The Annual Report of the Company will be available in the Company's Website [www.nolgroup.com](http://www.nolgroup.com).

Even after registering for e-communication, members are entitled to receive such communication in Physical form, upon making a request for the same at Company's e-mail Id- [contact@nolgroup.com](mailto:contact@nolgroup.com).

For members who have not registered their email address, physical copies of the Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent in the permitted mode.





# National Oxygen Limited

Manufacturers of : Liquid & Gaseous Oxygen, Liquid & Gaseous Nitrogen,  
Dissolved Acetylene & Liquid & Gaseous Medical Oxygen

**Registered Office : No.80 (Old No.141), Greams Road, Chennai - 600 006**


Phones : (044) - 28290707 (4 Lines) Fax : (044) - 28290770

E-mail : sales@nolgroup.com, contact@nolgroup.com Website : www.nolgroup.com

CIN:L24111TN1974PLC006819

## FORM A

*Format of covering letter of the annual audit report to be filed with the stock exchanges*

1.	Name of the Company:	National Oxygen Limited
2.	Annual financial statements for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by- <input type="checkbox"/> Whole Time Director <input type="checkbox"/> Auditor of the company <input type="checkbox"/> Audit Committee Chairman	



An ISO 9001 - 2000 Company

*Breathing Life Into Industry*

FACTORY 1 : Pondy - Villupuram Road, Thiruvandar Koil, Pondicherry - 605 102.

Ph : (0413) 2640446 to 48 Fax : (0413) 2640181 E-mail : nolponddy@nolgroup.com

FACTORY 2 : Trichy - Pudukottai Road, Mathur - 622 515, Pudukottai District. Ph : (0431) 2660400