

o/c

GOVIND POY OXYGEN LIMITED

NUVEM, SALCETE - GOA

45TH ANNUAL REPORT 2016-17

NOTICE

Notice is hereby given that the 45th Annual General Meeting of the Members of GOVIND POY OXYGEN LTD., will be held on Saturday, the 23rd September, 2017 at 11.30 a.m. at the Registered Office of the Company at Fabrica de Gas Carbonico, N. H. - 17, Nuvem, Salcete, Goa - 403 604, to transact the following business.

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2017 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and the Auditors thereon.
2. To declare dividend on equity shares for the year 2016-17.
3. To appoint Director in place of Shri Ashok Naik Panvelkar [DIN 02757226] who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Director in place of Smt Binita S. Poy Raiturcar [DIN 00981788] who retires by rotation and being eligible offers herself for re-appointment.
5. To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Y. N. Upadhyaya & Co, Chartered Accountants (Firm Registration No. 1111173W), be and is hereby appointed as Auditors of the Company in place of the retiring auditors M/s S. S. Dalvi & Co., Chartered Accountants (Firm Registration No. 102066W), to hold office from the conclusion of this Annual General Meeting (‘AGM’) till the conclusion of the 50th AGM to be held in 2022 (subject to ratification of their appointment at every AGM, if so required under the Act), at such remuneration including applicable taxes and out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors”.

Special Business:

6. To consider and if thought fit, to pass the following resolution with or without modification as a Special Resolution:

“RESOLVED THAT subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Sanjay Atchut Poy Raiturcar, as Chairman and Managing Director (designated as “Executive Chairman”) of the Company with effect from 01/10/2017 to 30/09/2021 as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Sanjay Atchut Poy Raiturcar.”

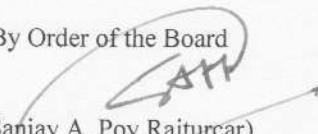
“RESOLVED FURTHER THAT the remuneration payable to Mr. Sanjay Atchut Poy Raiturcar, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

Place: Panaji, Goa
Date : August 12, 2017

Registered Office:
Fabrica de Gas Carbonico,
N. H. - 17, Nuvem,
Salcete, Goa – 403 604

By Order of the Board


(Sanjay A. Poy Raiturcar)
Chairman & Managing Director
(DIN 00358326)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The Proxy forms to be effective must be deposited at the Registered Office of the Company at least 48 hours before the Meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Register of members and Share Transfer Books of the Company will remain closed from Saturday, the 16th September, 2017 to Saturday, the 23rd September, 2017 (both days inclusive).
3. The dividend recommended by the Board of Directors, if approved by the shareholders at the 45th Annual General Meeting shall be paid on or after 23rd September, 2017 to those members whose names appear in the register of Members of the Company on 16th September, 2017.
4. M/s S. S. Dalvi & Co., Chartered Accountants, Panaji, Goa (ICAI Firm Registration No. 102066W) have been the Auditors of the Company since FY 2007-08 and have completed a term of ten years.
As per the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement. In view of the above, M/s S. S. Dalvi & Co. term as auditors of the Company is up to the conclusion of the forthcoming Annual General Meeting ('AGM').
The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting, held on 27th May, 2017, proposed the appointment of M/s Y. N. Upadhyaya & Co., Chartered Accountants (Firm Registration No. 1111173W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the 50th AGM of the Company to be held in 2022, subject to ratification of their appointment at every AGM, if required under the Act.
M/s Y. N. Upadhyaya & Co. have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.
5. Members are requested to notify immediately any change in their addresses to the company at its registered office.
6. In accordance with the provisions of erstwhile Companies Act, 1956, the amount of dividend for the Financial Year ended March 31, 2009 which remained unpaid and unclaimed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company has been transferred to the Investor Education and Protection Fund established by the Central Government.
7. Pursuant to the provisions of erstwhile Companies Act, 1956 the amount of all dividends for the Financial Year ended March 31, 2010 remaining unpaid/unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and no claim shall lie against the said Fund or the Company for the amounts of dividend so transferred to the said Fund. Shareholders, who have not yet encashed their final dividend warrants for the Financial Year ended March 31, 2010 or subsequent financial years are therefore requested to make their claim to the Company without delay.
8. Members are also requested to note that, pursuant to the provisions of Section 124 of the Act and the IEPF Rules, the Company is obliged to transfer all shares on which dividend has not been paid or claimed for seven consecutive years or more to an IEPF Account.

9. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking re-appointment at the Annual General Meeting in Annexure A attached hereto, forms part of the notice. The Directors have furnished the requisite declarations for their re-appointment.
10. The Registers under the Companies Act, 2013 is available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays.
11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form are therefore, requested to submit their PAN details to the secretarial department of the Company at its Registered Office.
12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
13. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to certain the Special Business mentioned in the accompanying Notice:

Item No. 6

Mr. Sanjay Atchut Poy Raiturcar, who was appointed Executive Chairman and Managing Director by the members at the Annual General Meeting earlier requires the approval of members by way of a special resolution as the remuneration proposed to be paid to him may exceed the limits specified in the Act. Keeping in view that Mr. Sanjay Atchut Poy Raiturcar has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to pass the resolution as mentioned at the item no. 6 of the notice.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013. The details of remuneration payable to Mr. Sanjay Atchut Poy Raiturcar and the terms and conditions of the appointment are given below:

- i. Salary: Basic Rs 125000/- per month in the scale of – 1) 125000 - 12500; 2) 137500 - 13750; 3) 151250 - 15125; 4) 166375 - 16637; 5) 183012 - 18301 which is eligible for revision on a date to be determined by the Remuneration and Nomination Committee.
- ii. Dearness Allowances: As applicable to other officers of the Company from time to time.
- iii. Conveyance Allowances: 20% of the basic pay and dearness allowance per month.
- iv. Perquisites: The Executive Chairman shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;
 - a. Housing: The Company shall provide rent free furnished residential accommodation, with free gas, electricity and water as per Company policy. In case no accommodation is provided by the Company, the Executive Chairman shall be entitled to such house rent allowance as may be decided by the Board of Directors from time to time subject however to a limit of 30% of his salary.
 - b. Medical Re-imburement: Re-imburement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and

- family including hospitalisation, surgical charges, nursing charges and domiciliary charges for self and for family.
- c. Leave Travel Concession: For self and family every year incurred in accordance with the rules of the Company applicable to its senior managers.
 - d. Club Fees: Fees of clubs, subject to a maximum of three clubs.
 - e. Personal Accident Insurance/Group Life Insurance: Premium not to exceed 5000 per annum.
 - f. Provident Fund / Pension: Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
 - g. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.
 - h. Use of Car with Driver: The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the chairman for business and personal use.
 - i. Telephone facility at residence: Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Chairman.
 - j. Servant: Reimbursement of servant's salary, subject to a maximum of two servants.
 - k. Watchman: Reimbursement of watchman's salary, subject to a maximum of two watchmen.

Other terms and conditions:

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b. "Family" means the spouse and dependent children of Mr. Sanjay Atchut Poy Raiturcar.
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.
- f. The Chairman shall not be liable to retire by rotation.
- g. The perquisites as listed in para (iv) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

The Board of Directors recommends the resolution in relation to the re-appointment of Executive Chairman and Managing Director, for the approval of the shareholders of the Company. Notice has been received from member signifying their intention to propose appointment of Mr. Sanjay Atchut Poy Raiturcar as Executive Chairman and Managing Director of the Company along with a deposit of Rs. 1,00,000/-. The disclosure under Clause 49 of the Listing Agreement, is provided at Annexure A of this Notice. Except Mr. Sanjay Atchut Poy Raiturcar and Mrs. Binita Sanjay Poy Raiturcar or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 6.

By Order of the Board


Sanjay A. Poy Raiturcar
Chairman & Managing Director
(DIN 00358326)

Place :Panaji, Goa
Date :August 12, 2017

Registered Office:
Fabrica de Gas Carbonico,
N.H. - 17, Nuvem, Salcete,
Goa - 403 604

Annexure A

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on September 23, 2017 [Pursuant to Clause 49(IV)(E) and 49(IV)(G)(i) of the Listing Agreement]

| Name of the Director | Shri Sanjay Atchut Poy Raiturcar | Shri Ashok Naik Panvelkar | Smt. Binita S. Poy Raiturcar |
|---|---|--|--|
| DIN | 00358326 | 02757226 | 00981788 |
| Date of Birth | 24.07.1961 | 09.04.1937 | 25.09.1966 |
| Date of appointment | 17.08.2005 | 26.09.2002 | 27.04.2007 |
| Expertise in specific functional areas | 1. Graduate in Mechanical Engineering of Bombay University. He has post graduate qualification of MBA, (USA). | 1. Ex-Director of Goa Handicrafts Rural & Small Scale Industries Development Corporation Ltd. 2. Ex-Director (Admn.) Education, Govt. of Goa. | 1. Real Estate Development 2. Interior Decoration 3. Manufacture of Gem & Jewellery |
| Directorships held in other Companies (excluding foreign companies) | 1. Nasik Oxygen Co. Pvt Ltd. 2. Fabrica de Gas Carbonico Pvt. Ltd. 3. Nalanda Agencies Pvt. Ltd. | NIL | 1. Nasik Oxygen Co. Pvt Ltd. 2. Fabrica de Gas Carbonico Pvt. Ltd. 3. Nalanda Agencies Pvt. Ltd. |
| Committee position held in other Companies | NIL | NIL | NIL |

By Order of the Board


Sanjay A. Poy Raiturcar
Chairman & Managing Director
(DIN 00358326)

Place :Panaji, Goa
Date :August 12, 2017

Registered Office:
Fabrica de Gas Carbonico,
N.H. - 17, Nuvem, Salcete,
Goa - 403 604

DIRECTORS' REPORT

Your Directors are pleased to present their 45th Annual Report together with the Audited Statement of accounts for the Financial Year ended 31st March, 2017.

| FINANCIAL RESULTS | 2016-17 Rs. | 2015-16 Rs. |
|--|----------------|----------------|
| Profit / (Loss) before depreciation / interest and Exceptional items | 62,60,207 | 69,31,230 |
| Less : Depreciation | 27,80,788 | 29,32,997 |
| Interest | 2,03,723 | 6,61,474 |
| Profit / (Loss) before Taxes and Exceptional items | 32,75,696 | 33,36,759 |
| Add / (Less) : Exceptional Items | (3,00,000) | (20,75,000) |
| Add / (Less) : Prior period Income Tax Asst. Year | (24,284) | (35,828) |
| Add / (Less) : Deferred Tax | (30,85,945) | (9,36,856) |
| Less: Provision for Tax | (5,85,000) | (5,85,000) |
| Add / (Less) : MAT Credit | 5,85,000 | --- |
| Profit / (Loss) after Tax | (1,34,533) | (2,95,925) |
| Add: Balance brought forward from last year | 1,35,60,022 | 1,43,37,378 |
| Distributable Profit | 1,34,25,489 | 1,40,41,453 |
| APPROPRIATIONS | | |
| • Proposed Dividend | 4,00,000 | 4,00,000 |
| • Corporate Dividend Tax | 81,431 | 81,431 |
| • Balance carried to Balance Sheet | 1,29,44,058 | 1,35,60,022 |
| | 1,34,25,489 | 1,40,41,453 |

Performance

During the year under report, the turnover decreased to Rs. 679.98 lakhs from Rs. 682.67 lakhs in the previous year. Your Directors have pleasure in reporting that, during the year under report, your company has achieved profit of Rs. 32.76 lakhs before provision for diminution in the value of Non-Current Investments as against profit of Rs. 33.36 lakhs in the previous year after providing depreciation and taxes. Though the ban on mining is removed, the mining operation in the State has not commenced completely thereby affecting company's turnover.

Your Directors are making various efforts to improve the performance of the Company in situation of severe competition and are optimistic about posting better results in the ensuing year.

Dividend

Your Directors recommend a dividend of Re 1/- per share.

Directors' Responsibility Statement

Pursuant to section 134(3)(c) of the Companies Act, 2013, your Directors, based on the representations received from the Management, confirm that:-

- that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- that they have, in selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

- c) that to the best of their knowledge and information, they have taken proper and sufficient care 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;
- d) that they have prepared the annual accounts on a going concern basis;
- e) that they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that they have had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

Shri Ashok Naik Panvelkar and Smt Binita S. Poy Raiturcar retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

Corporate Governance

A separate report on Corporate Governance along with the Auditors' Certificate on its compliance is attached as Annexure - 1 to this Report.

Auditors

(1) Statutory Auditors:

M/s S. S. Dalvi & Co., Chartered Accountants, have been the Auditors of the Company since Financial Year 2007-08 and have completed a term of ten years. Their term as auditors is up to the conclusion of the forthcoming AGM.

In accordance with the provisions of Section 139 of the Act, M/s Y. N. Upadhyaya & Co., Chartered Accountants (Firm Registration No. 1111173W) are proposed to be appointed as auditors for a period of 5 years commencing from the conclusion of this AGM till the conclusion of the 50th AGM of the Company to be held in 2022, subject to ratification of their appointment at every AGM, if so required under the Act.

M/s Y. N. Upadhyaya & Co. have consented to their appointment as Statutory Auditors and have confirmed that their appointment, if made, will be in accordance with Section 139 read with Section 141 of the Act. Members are requested to approve the appointment of M/s Y. N. Upadhyaya & Co. and authorize the Board of Directors to fix their remuneration.

The statutory audit report does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

(2) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Ms Shilpa Keshav Dhulapkar, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2017. The Secretarial Audit Report is annexed as Annexure - 2.

Loans, Guarantees and Investments

Particulars of loans, guarantees and investments made by the Company pursuant to Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Accounts.

Annual Performance Evaluation by Board

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 to the Listing Agreement, the Board is in process of carrying our Annual Performance Evaluation of its own performance, the Directors individually.

Risk Management

The Board of Directors of your Company is in the process of framing a policy on Risk Management of the Company.

Related Party Contracts & Arrangements

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of the Board of Directors for their necessary review and approval. During the financial year your Company has not entered into any material transaction (as per Clause 49 of the Listing Agreement) with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosures pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements.

Extract of Annual Return

Pursuant to the Section 92(3) of the Companies Act, 2013 extract of the annual Return is annexed to this report as Annexure - 3.

Particulars of Employees

None of the employees of the Company were in receipt of remuneration in excess of the limits prescribed under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The management continues its focus on energy conservation. Continuous monitoring of the fuel consumption and the monitoring optimization of electrical energy consumption in all activities are being done. The Company is making efforts to acquire improved technology at its plant. During the year there are no foreign exchange earnings but outgo is on account of import of raw material (Ref note no. 38).

Acknowledgement

Your Directors place on record their gratitude to the Government of Goa, Financial Institutions, Banks, Statutory Auditors, and valued customers for the continued assistance, support, co-operation and encouragement they extended to the Company. Your Directors appreciate the excellent contribution made by the employees of the Company at all levels.

For and on behalf of the Board of Directors


(Sanjay A. Poy Raiturcar)
Chairman & Managing Director
(DIN 00358326)

Date : August 12, 2017
Place: Panaji, Goa.

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY:

Corporate Governance is an essential part of the management where the stress is on excellence in manufacture and delivery of the Company's products, which meet the highest quality standards. The Company's philosophy on Corporate Governance envisages the attainment of the highest level of transparency and accountability. It is aimed at safeguarding and adding value to the interests of various stakeholders.

2. BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of following Directors:

- | | |
|---------------------------------|-----------------------------------|
| a. Shri Sanjay A. Poy Raiturcar | - Chairman & Managing Director |
| b. Shri Manohar S. Usgaonkar | - Non-executive & Independent |
| c. Shri Nitin A. Kunkolienkar | - Non-executive & Independent |
| d. Shri Ashok P. Panvelkar | - Non-executive & Non-independent |
| e. Shri Sudin M. Usgaonkar | - Non-executive & Independent |
| f. Smt Binita S. Poy Raiturcar | - Non-executive & Non-independent |

Board Meetings:

During the year under review, five Board meetings were held. The meetings were held on 12/05/2016, 27/07/2016, 13/08/2016, 12/11/2016 and 07/02/2017.

Managerial Remuneration:

Particulars of Managerial remuneration paid to Managing Director as per Section 198 of the Companies Act, 1956 is given in Notes on accounts for the year in item no. 32.

Composition of the Board:

| Name of Directors | Position | Meetings Attended | Fees Paid | No. of other Director ships | Other Committee member ships | Attended Last AGM |
|------------------------------|-------------|-------------------|-----------|-----------------------------|------------------------------|-------------------|
| Shri Sanjay A. Poy Raiturcar | Promoter | 5 | -- | 3 | -- | Yes |
| Shri Manohar S. Usgaonkar | Independent | 5 | 10000.00 | -- | -- | No |
| Shri Nitin A. Kunkolienkar | Independent | 5 | 10000.00 | 2 | 2 | No |
| Shri Ashok P. Panvelkar | Independent | 1 | 2000.00 | -- | -- | No |
| Shri Sudin M. Usgaonkar | Independent | 4 | 8000.00 | -- | 2 | No |
| Smt. Binita S. Poy Raiturcar | Promoter | 4 | 8000.00 | 3 | 2 | No |

3. AUDIT COMMITTEE:

The Audit Committee was constituted on at the Board Meeting held on 09/07/2015. It consists of two Non-executive & Independent Directors. The Members of the Committee are well versed in finance matters, accounts, company law and general business practices.

The composition of the Audit Committee are as under:

- (a) Shri Nitin A. Kunkolienkar
- (b) Shri Sudin Manohar Usgaokar
- (c) Smt Binita S. Poy Raiturcar

The terms of reference of the Audit Committee include:

- a) To review any change in accounting policies and practices.
- b) To confirm whether major accounting entries are based on exercise of judgments by management.
- c) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- d) To recommend the appointment, remuneration and terms of appointment of auditors of the Company.
- e) To check whether there are any qualifications made in the draft Auditors' Report.
- f) To review whether there are any significant adjustments arising out of audit.
- g) To confirm whether the accounts are prepared on going concern basis.
- h) To confirm whether the accounts are prepared by applying applicable accounting standards.
- i) To review whether the financial statements comply with the Stock Exchange and Legal requirements.
- j) To check whether there are any related party transactions which may have potential conflict with interests of Company.
- k) To discuss with auditors on whether they have any post audit concerns.
- l) To check whether there are any defaults in payment to creditors and shareholders.
- m) To evaluate internal financial controls and risk management systems of the Company.
- n) To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

4. INVESTOR GRIEVANCE COMMITTEE:

As the Company has small number of shareholders and also the shares are not traded, Company has not constituted investor grievance committee. However, Company is committed to address the investor grievance promptly without any delay monitored by the Managing Director.

5. NOMINATION AND REMUNERATION COMMITTEE:

During the year under report, the Company has constituted Nomination and Remuneration Committee consisting of following Directors:

- (a) Shri Nitin A. Kunkolienkar
- (b) Shri Sudin Manohar Usgaokar
- (c) Smt Binita S. Poy Raiturcar

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

6. GENERAL MEETINGS:

The previous three Annual General Meetings were held at the Registered office of the Company at Fabrica de Gas Carbonico, N. H. - 17, Nuvem, Salcete, Goa - 403 604 on:

- 29th September, 2014
- 28th September, 2015
- 26th September, 2016

No Extraordinary general meeting was held during the previous three years.

7. DISCLOSURES:

There were no transactions of material nature with the directors or the management or their subsidiaries or relatives having potential conflict with the interest of the Company during the year

No penalties or structures have been imposed on the Company by any regulatory authority relating to the capital market during the year.

8. MEANS OF COMMUNICATION:

The Company submits its audited/unaudited financial results to the Stock Exchange regularly.

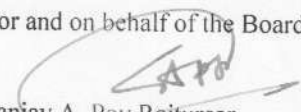
9. GENERAL SHAREHOLDER INFORMATION:

- a. 45th Annual General Meeting - at the registered office of the company at Fabrica de Gas N. H. - 17, Nuvem, Salcete, Goa - 403 604
- b. Financial Year - 2016-17
- c. Book Closure - 16th September, 2017 to 23rd September, 2017.
- d. Listing on Stock Exchange - Mumbai
- e. Stock code - Scrip ID - ZGOVPOOX
Scrip Code - 509586
- f. Market Price - Share are not actively traded.
- g. Share Transfer Agents - Company has in house share transfer facility.
- h. Dematerialisation of Shares - Company's Shares are in physical form.
- i. Plant Location - The Company's plant is located at Govind Poy Oxygen Limited, Arlem, Raia, Salcete, Goa - 403 720.
- j. Address for Correspondence - Govind Poy Oxygen Limited
Fabrica de Gas Carboncio, N. H. - 17, Nuvem, Salcete, Goa - 403 604.
Tel / Fax: (0832) 2791703
Email: sanoxypoy@gmail.com

Shareholding Pattern as on 31st March, 2017

| Category | No. of shares held | % of shareholding |
|--|--------------------|-------------------|
| Promoters | 223635 | 55.91 |
| Banks/Financial Institutions and Insurance Companies | 101500 | 25.38 |
| Foreign Institutional Investors | 0 | 0 |
| Mutual Funds | 0 | 0 |
| NRIs/OCBs | 0 | 0 |
| Private Bodies Corporate | 24150 | 6.04 |
| Public | 50715 | 12.67 |
| TOTAL | 400000 | 100.00 |

For and on behalf of the Board


Sanjay A. Poy Raiturcar
Managing Director
(DIN 00358326)

August 12, 2017
Panaji, Goa.

Sadashiv V. Shet

B.A., B.Com, LL.B, F.C.S.
Company Secretary

S-15, Jairam Complex, Nevginagar, Panaji, Goa. ☎(0832) 2427847. Email: sadashivshet@gmail.com

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
GOVIND POY OXYGEN LIMITED

I have examined the compliance of conditions of Corporate Governance by GOVIND POY OXYGEN LIMITED, for the year ended 31st March, 2017, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Further, I state that, during the year Investors' Grievance Committee is not constituted and there are not unrepressed compliance as on 31-03-2017 as per the statement of Managing Director and as informed to me, the Company is in process of dematerialization of its equity shares and appointment of depository participant thereof.

In my opinion and to the best of my information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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



CS SADASHIV V. SHET

Practising Company Secretary

FCS: 2477

CP NO.2540

12/08/2017
Panaji, Goa.

Shilpa K. Dhulapkar
Company Secretary

Off: Shop No. BSG-5, Upper Ground Floor, Perfect Systems & Services, Mohidin Tower, Opp. Hotel Manoshanti, Panaji, Goa 403001. Tel. :(0832) 6647135 Mb.:9822487570 Email : shilpa.acs@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

M/s. Govind Poy Oxygen Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Govind Poy Oxygen Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Govind Poy Oxygen Limited, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Govind Poy Oxygen Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable as the Company has not issued any further capital under the regulations during the period under review)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2104;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued and listed any debt securities during the Financial Year under review)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the Audit Period)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period)**
- (vi) As informed to me the following other Laws specifically applicable to the Company as under:
1. The Air (Prevention and Control of Pollution) Act, 1981
 2. The Environment (Protection) Act, 1986
 3. The Water (Prevention and Control of Pollution) Act 1974



4. The Factories Act, 1948
5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
6. Employees' State Insurance Act, 1948
7. The Payment of Gratuity Act, 1972
8. Maternity Benefit Act, 1961
9. The Minimum Wages Act, 1948
10. The Payment of Wages Act, 1936
11. Explosives Act, 1884
12. The Petroleum Act, 1934
13. Drugs and Cosmetics Act, 1940
14. The Legal Metrology Act 2009
15. Income Tax Act, 1961

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and SEBI, if applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1 *Although company has filed Form AOC-4 XBRL for Financial Year ended 31/03/2015 via SRN Q7507316 dated 30/12/2016 and Form AOC-4 XBRL for Financial Year ended 31/03/2016 via SRN G27251249 dated 29/11/2016 the same is not updated on the MCA records. Company is in the process of sorting this technical issue and have appointed PC Goel, Company Secretary from Delhi to process the same.*
- 2 *Further the company has filled Form IEPF-6 the statement of unclaimed and unpaid amounts to be transferred to the IEPF via SRN G19869214 dated 04/11/2016 however the same is not updated on the MCA records and the company is in the process of sorting the technical issue.*
- 3 *Company had appointed Managing Director and paid remuneration to Managing*



Director and other Directors as per the provisions of the Companies Act, 1956 however during the financial year there is no profits and above remuneration paid to Managing Director and other Directors are in accordance with the provisions of the Schedule V of Companies Act, 2013.

- 4 *It is observed that the Company's shares are suspended for trading by Bombay Stock Exchange since Financial Year 2001-02 on account of failure of the company to file quarterly financial results. However company has updated the pending filing but on account of non payment of listing fees to Bombay Stock Exchange for Financial Year 2014-15, 2015-16 and 2016-17 suspension for trading is still carried on.*

Further it is informed that the company is in the process of applying for listing securities in SME exchanges of BSE.

- 5 *Company is in the process of renewing following licenses which were due for renewal during the financial year:*

- a) Factory License under Factories Act, 1948,*
- b) License to transport liquid Oxygen in Pressure vessel under The Petroleum Act, 1934 and Explosives Act 1884 and*
- b) License to manufacture for sale of Medical Oxygen under Drugs and Cosmetics Act, 1940.*

- 6 *As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures wherever found necessary.*

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there was no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.



Shilpa Keshav Dhulapkar

Company Secretary

FCS No.-7235

C.P. No.-7615

Date : 12th August, 2017

Place : Panaji, Goa

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2016

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|--|
| i. | CIN | L40200GA1972PLC000144 |
| ii. | Registration Date | 15/06/1972 |
| iii. | Name of the Company | GOVIND POY OXYGEN LIMITED |
| iv. | Category/Sub-Category of the Company | Company Limited by Shares |
| v. | Address of the Registered office and contact details | Fabrica De Gas Carbonico, N.H. 17, Nuvem, Salcete, Goa – 403604 Tel : +91 832 2791703 Fax : +91 832 2791703 |
| vi. | Whether listed company | Yes |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | In house share transfers. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product / service | % to total turnover of the company |
|---------|---|-----------------------------------|------------------------------------|
| 1. | Manufacture of Industrial and Medical Gases | 24111 | 66.63% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|----------------------------------|------------------|--------------------|
| 1. | N.A. | N.A. | N.A. | N.A. | N.A. |
| 2. | N.A. | N.A. | N.A. | N.A. | N.A. |
| 3. | N.A. | N.A. | N.A. | N.A. | N.A. |
| 4. | N.A. | N.A. | N.A. | N.A. | N.A. |

| | | | | | | | | | |
|---|---|--------|--------|--------|---|--------|--------|--------|------------|
| b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 0 | 51115 | 51115 | 12.77% | 0 | 50715 | 50715 | 12.67% | - 0.10% |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Others (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total(B)(2) | 0 | 75265 | 75265 | 18.81% | 0 | 74865 | 74865 | 18.72% | - 0.10% |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 0 | 176765 | 176765 | 44.19% | 0 | 176365 | 176365 | 44.09% | - 0.10% |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 0 | 400000 | 400000 | 100% | | 400000 | 400000 | 100% | 0 |

ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|--------------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1. | Sanjay A. Poy Raiturcar | 223075 | 55.77% | 0 | 223285 | 55.82% | 0 | 0.05% |
| 2. | Body Corporate | 150 | 0.0375 | 0 | 350 | 0.0875 | 0 | 0.05% |
| 3. | Directors other than relatives | 10 | 0.0025% | | 10 | 0.0025% | 0 | 0 |
| | Total | 223235 | 55.81% | 0 | 223635 | 55.91% | 0 | 0.10% |

iii. Change in Promoters' Shareholding (please specify, if there is no change)

| Sr. no | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 223235 | 55.81% | 223635 | 55.91% |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | No transaction during the year | | | |

| | | | | |
|------------------------|--------|--------|--------|--------|
| At the End of the year | 223235 | 55.81% | 223635 | 55.91% |
|------------------------|--------|--------|--------|--------|

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|--|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | 9,07,449 | 0 | 0 | 9,07,449 |
| i) Principal Amount | 0 | 0 | 0 | 0 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | | | | |
| Total(i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | | | | |
| - Addition | 0 | 0 | 0 | 0 |
| - Reduction | 4,25,029 | 0 | 0 | 4,25,029 |
| Net Change | 4,25,029 | 0 | 0 | 4,25,029 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 13,32,478 | 0 | 0 | 13,32,478 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 13,32,478 | 0 | 0 | 13,32,478 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | Total Amount |
|---------|---|-------------------------------|-----------------|
| | | Sanjay A. Poy Raiturcar | |
| | | Managing Director | |
| 1. | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 11,95,338.00 | 11,88,360.00 |
| | (b) Value of perquisites u/s 17(2) Income- tax Act, 1961 | 2,98,563.00 | 2,97,090.00 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 |
| 2. | Stock Option | 0 | 0 |
| 3. | Sweat Equity | 0 | 0 |
| 4. | Commission | | |

| | | | |
|----|--|---|---|
| | - as % of profit | 0 | 0 |
| | - others, specify... | 0 | 0 |
| 5. | Others - (Provident Fund, Leave Travel Concession) | 2,03,779.00 | 2,01,585.00 |
| 6. | Total (A) | 16,97,680.00 | 16,87,035.00 |
| | Ceiling as per the Act | Paid in terms of Section II of Schedule V | Paid in terms of Section II of Schedule V |

B. Remuneration to other directors:

1. Independent Directors:

| Particulars of Remuneration | Manohar S. Usgaonkar | Sudin Manohar Usgaonkar | Nitin Anant Kunkolienkar | Total |
|---|----------------------|-------------------------|--------------------------|----------|
| Fee for attending Board/ Committee meetings | 10000.00 | 8000.00 | 10000.00 | 28000.00 |
| Commission | 0 | 0 | 0 | 0 |
| Others, pl specify | 0 | 0 | 0 | 0 |
| Total (B)(1) | 10000.00 | 8000.00 | 10000.00 | 28000.00 |

2. Non-Executive Directors:

| Particulars of Remuneration | (Rs. in Lakhs) | | |
|---|----------------------|-----------------------------|----------|
| | Ashok Naik Panvelkar | Binita Sanjay Poy Raiturcar | Total |
| Fee for attending Board/ Committee meetings | 2000.00 | 8000.00 | 10000.00 |
| Commission | 0 | 0 | 0 |
| Others, pl specify | 0 | 0 | 0 |
| Total (B)(2) | 2000.00 | 8000.00 | 10000.00 |
| Total B = (B1) + (B2) | | | 38000.00 |
| Total Managerial Remuneration | | | 38000.00 |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/Compounding fees imposed | Authority[RD /NCLT/Court] | Appeal made. If any(give details) |
|-------------------------------------|------------------------------|--|---|---------------------------|-----------------------------------|
| A. Company | | | | | |
| Penalty | | No Penalties, Punishments or Compounding of Offences | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | No Penalties, Punishments or Compounding of Offences | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers In Default | | | | | |
| Penalty | | No Penalties, Punishments or Compounding of Offences | | | |
| Punishment | | | | | |
| Compounding | | | | | |

S. S. DALVI & CO.
CHARTERED ACCOUNTANTS

S. S. Dalvi
B.Com., F.C.A.

Telephones:
Office : 2223187

T-5, Souza Towers
Near Municipal Garden
Panaji, Goa – 403 001

To the Members of
Govind Poy Oxygen Limited

Report on the Financial Statements

We have audited the accompanying financial statements of GOVIND POY OXYGEN LIMITED, (“the Company”), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2017, its loss (after exceptional items) and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and 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 it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
 - e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. However, as stated in note 38 to the Financial Statements such disclosure is in accordance with the books of accounts maintained by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

For **S.S. DALVI & Co.**
Chartered Accountants
(Firm's Registration No. 102066W)

Place: Panjim-Goa
Date: 27th May, 2017



S.S. Dalvi
S.S. Dalvi
Proprietor
(Membership No. 011017)

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of
our report of even date)**

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section
3 of Section 143 of the Companies Act, 2013 ("the Act")**

We are required to report on the internal financial controls over financial reporting of Govind Poy Oxygen Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on appropriate criteria that considers the essential components of internal control as stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit of such controls to be conducted in accordance with the Guidance Note and the Standards on Auditing to the extent applicable to an audit of internal financial controls.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Opinion

While there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchases of inventories and fixed assets and for sale of goods and services, the internal financial controls as envisaged in the Guidance Note are not documented/implemented in a structured manner. We are therefore unable to issue an audit opinion on the design/implementation and the operating effectiveness of such controls. We have considered this aspect in

determining the nature, timing, and extent of audit tests in our audit of the financial statements of the Company, and report that this disclaimer does not affect our audit opinion on the financial statements of the Company.

For **S.S. DALVI & Co.**
Chartered Accountants
(Firm's Registration No. 102066W)

Place: Panjim-Goa
Date: 27th May, 2017



S.S. Dalvi
S.S. Dalvi
Proprietor
(Membership No. 011017)

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S
(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" of
our report of even date)**

- i. In respect of fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us the Company has not granted any loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year. There are no unclaimed deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Labour Welfare Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Labour Welfare Fund, Income-tax, Sales Tax, Customs Duty, Service Tax, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

- c. There were no disputed amounts payable in respect of Sales Tax, Customs duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2017. Details of dues of Income-tax, Service Tax, Excise Duty and Cess which have not been deposited as on 31 March, 2017 on account of disputes are given below:

| Statute | Nature of dues | Forum where dispute is pending | Period to which the Amount relates | Amount Rs |
|--------------------------|----------------|--------------------------------|------------------------------------|-----------|
| Central Excise Act, 1944 | Excise Duty | Supreme Court | 2000-05 | 6,70,488 |
| Income Tax Act, 1961 | Income Tax | CIT- Appeals | 2010-11 | 30,640 |

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks, financial institution, government or debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans were not taken during. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Panjim-Goa
Date: 27th May, 2017



For S.S. DALVI & Co.
Chartered Accountants
(Firm's Registration No. 102066W)

S.S. Dalvi
S.S. Dalvi
Proprietor
(Membership No. 011017)

BALANCE SHEET AS AT 31st MARCH 2017

| Particulars | Note No. | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|--------------------------------------|----------|----------------------------|----------------------------|
| <u>EQUITY AND LIABILITIES</u> | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 40,00,000 | 40,00,000 |
| Reserves and Surplus | 4 | 2,16,28,564 | 2,22,44,527 |
| | | 2,56,28,564 | 2,62,44,527 |
| Non-current liabilities | | | |
| Long Term Borrowings | 5 | - | 8,93,636 |
| Long Term Provisions | 6 | 1,76,806 | 8,29,280 |
| Other Long Term Liabilities | 7 | 2,16,01,240 | 2,00,27,826 |
| | | 2,17,78,046 | 2,17,50,742 |
| Current Liabilities | | | |
| Short Term Borrowings | 8 | 13,32,478 | - |
| Trade Payables | 9 | 20,72,354 | 27,31,430 |
| Other Current Liabilities | 10 | 38,72,459 | 34,03,980 |
| Short Term Provisions | 11 | 7,62,910 | 10,33,677 |
| | | 80,40,201 | 71,69,087 |
| | | 5,54,46,811 | 5,51,64,356 |
| <u>ASSETS</u> | | | |
| Non-current assets | | | |
| Fixed Assets | | | |
| i. Tangible Assets | 12 | 1,63,40,304 | 1,42,77,869 |
| ii. Capital work-in-progress | 12 | 4,82,569 | 1,07,000 |
| Non Current Investments | 13 | 2,19,23,452 | 1,44,69,637 |
| Long Term Loans and Advances | 14 | 10,92,464 | 10,87,464 |
| Deferred Tax Assets (Net) | 15 | 1,41,610 | 32,27,555 |
| | | 3,99,80,399 | 3,31,69,525 |
| Current Assets | | | |
| Inventories | 16 | 26,77,962 | 35,39,738 |
| Trade Receivables | 17 | 97,72,395 | 1,36,72,676 |
| Cash and Cash Equivalents | 18 | 17,49,289 | 23,75,201 |
| Short Term Loans and Advances | 19 | 12,66,766 | 24,07,216 |
| | | 1,54,66,413 | 2,19,94,831 |
| | | 5,54,46,812 | 5,51,64,356 |

Significant Accounting Policies and Notes on Accounts

1 - 39

As per our report of even date attached
For S. S. DALVI & CO.
Firm Registration No. 102066W
Chartered Accountants



S. S. DALVI
Proprietor
Membership No. 11017

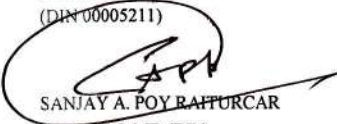


Place : Panaji
Dated : 27.05.2017


For and on behalf of the Board of Directors



M. S. USGAONKAR
Director
(DIN 00358368)


NITIN A. KUNKOLIENKAR
Director
(DIN 00005211)


SANJAY A. POY RAITURCAR
Chairman & MD (DIN
(DIN 00358326)

Place : Panaji, Goa
Dated : 27.05.2017


ASHOK PANVELKAR
Director
(DIN 02757226)


SUDIN USGAONKAR
Director
(DIN 00326964)

BINITA S. POY RAITURCAR
Director
(DIN 00981788)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017

| Particulars | Note No | Year Ended 31.03.2017 Rupees | Year Ended 31.03.2016 Rupees |
|--|---------|------------------------------------|------------------------------------|
| <u>INCOME</u> | | | |
| Revenue from operations | 20 | 6,69,76,623 | 6,70,17,422 |
| Other Income | 21 | 10,21,607 | 12,49,807 |
| | | 6,79,98,230 | 6,82,67,229 |
| <u>EXPENSES</u> | | | |
| Cost of Material Consumed | 22 | 2,08,60,784 | 1,96,47,043 |
| Purchases of Traded Goods | 23 | 1,52,16,955 | 1,65,39,343 |
| Changes in inventories of finished goods work in progress and stock in trade | 24 | 4,96,039 | (2,63,707) |
| Other Manufacturing Expenses | 25 | 27,42,261 | 15,71,999 |
| Employee benefits expenses | 26 | 66,86,297 | 84,73,083 |
| Finance costs | 27 | 2,03,723 | 6,61,474 |
| Depreciation and amortisation expenses | 12 | 27,80,788 | 29,32,997 |
| Other expenses | 28 | 1,57,35,687 | 1,53,68,239 |
| | | 6,47,22,534 | 6,49,30,471 |
| Profit Before Tax & Exceptional items | | 32,75,696 | 33,36,758 |
| Exceptional items (Diminution in the value of Investment) | | (3,00,000) | (20,75,000) |
| Profit Before Tax | | 29,75,696 | 12,61,758 |
| Tax expense: | | - | - |
| - Current Taxes (including Prior Period Income Tax Asst Year (Net)) | | (6,09,284) | (6,20,828) |
| Less: MAT Credit | | 5,85,000 | - |
| - Deferred Tax | 15 | (30,85,945) | (9,36,856) |
| Profit for the period | | (1,34,533) | (2,95,926) |
| Earnings per equity share: | | | |
| Nominal value of share Rs. 10/- (Rs. 10/-) | | | |
| Basic and Diluted | 29 | (0.34) | (0.74) |


Significant Accounting Policies and Notes on Accounts 1 - 39


As per our report of even date attached
For S. S. DALVI & CO.
Firm Registration No. 102066W
Chartered Accountants

S. S. DALVI
Proprietor
Membership No. 11017



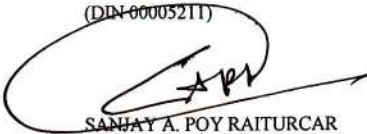
For and on behalf of the Board of Directors


M. S. USGAONKAR
Director
(DIN 00358368)


ASHOK PANVELKAR
Director
(DIN 02757226)


NITIN A. KUNKOLIENKAR
Director
(DIN 00005211)


SUDIN USGAONKAR
Director
(DIN 00326964)


SANJAY A. POY RAITURCAR
Chairman & MD (DIN
(DIN 00358326)

BINITA S. POY RAITURCAR
Director
(DIN 00981788)

Place : Panaji
Dated : 27.05.2017

Place : Panaji, Goa
Dated : 27.05.2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| | For the Year Ended 31.03.2017 Rupees | For the Year Ended 31.03.2016 Rupees |
|---|--|--|
| A. Cash Flows from Operating Activities | | |
| Net Profit / (Loss) before Tax | 32,75,696 | 33,36,759 |
| Adjustments for: | | |
| Depreciation | 27,80,788 | 29,32,997 |
| Interest Income | (1,39,785) | (1,28,027) |
| Interest Expense | 2,03,723 | 6,61,474 |
| Dividend Income | (4,03,993) | (4,23,704) |
| (Profit)/Loss on sale of Securities | (47,800) | 2,785 |
| (Profit)/Loss on Sale of Assets | (1,31,441) | (1,96,716) |
| | 22,61,492 | 28,48,809 |
| Operating Profit / (Loss) before Working Capital Changes | 55,37,188 | 61,85,568 |
| Adjustments for working capital changes: | | |
| (Increase)/Decrease in Trade Receivables | 39,00,281 | 38,01,888 |
| (Increase)/Decrease in Inventories | 8,61,776 | (6,09,248) |
| (Increase)/Decrease in Long Term Advances | 5,80,000 | 1,55,240 |
| (Increase)/Decrease in Short Term Advances | 6,75,970 | (13,95,399) |
| Increase/(Decrease) in Trade Payables | (6,59,077) | 5,10,856 |
| Increase/(Decrease) in Long term Provisions | (6,52,474) | 4,02,638 |
| Increase/(Decrease) in Short Term Provisions | (2,70,767) | 1,13,562 |
| Increase/(Decrease) in Other Current Liabilities | 4,68,478 | (7,80,165) |
| Increase/(Decrease) in Other Long Term Liabilities | 15,73,414 | 16,96,193 |
| | 64,77,601 | 38,95,565 |
| Cash generated from Operations | 1,20,14,789 | 1,00,81,133 |
| Direct Taxes (Net) | (1,44,803) | 10,70,891 |
| Cash Flow Before Extraordinary Items | 1,18,69,986 | 1,11,52,024 |
| Net Cash from/(used) in Operating Activities | 1,18,69,986 | 1,11,52,024 |
| B Cash Flows from Investing Activities | | |
| Purchase of Fixed Assets | (53,09,294) | (22,34,652) |
| Sale of Fixed Assets | 2,21,944 | (1,96,716) |
| Sale of Investment | (77,06,015) | (3,68,218) |
| Interest Received | 1,39,785 | 1,28,027 |
| Dividend Received | 4,03,993 | 4,23,704 |
| Net Cash from/(used) in Investing Activities | (1,22,49,587) | (22,47,855) |
| C Cash Flows from Financing Activities | | |
| Proceeds from Long Term Borrowings | - | - |
| Repayment of Short Term Borrowings | 13,32,478 | (71,52,532) |
| Repayment of Long Term Borrowings | (8,93,636) | (6,84,511) |
| Interest Paid | (2,03,723) | (6,61,474) |
| Dividends and Corporate Dividend Tax paid | (4,81,431) | (4,81,444) |
| Net Cash from/(used) in Financing Activities | (2,46,312) | (89,79,961) |
| Summary | | |
| Net Cash from/(used) Operating Activities | 1,18,69,986 | 1,11,52,024 |
| Net Cash from/(used) in Investing Activities | (1,22,49,587) | (22,47,855) |
| Net Cash from/(used) in Financing Activities | (2,46,312) | (89,79,961) |
| Net Increase (Decrease) in Cash Equivalents | (6,25,913) | (75,792) |

| | | |
|--|------------|-----------|
| Cash and Cash Equivalents at beginning of the year | 23,75,203 | 24,50,995 |
| Cash and Cash Equivalents at the end of the year | 17,49,290 | 23,75,203 |
| | (6,25,913) | (75,792) |

Note: Cash and cash equivalents at the end of the year includes Rs 1.88 Lakhs (1.76 Lakhs) deposited in unclaimed dividend account which are not available for the immediate use as on the Balance Sheet date.

FOR AND ON BEHALF OF THE BOARD

[Signature]
SANJAY A. POY RAITURCAR
Managing Director
(DIN 00358326)

[Signature]
ASHOK PANVELKAR
Director
(DIN 02757226)

[Signature]
SUDIN USGAONKAR
Director
(DIN 00326964)

[Signature]
M S USGAONKAR
Director
(DIN 00358368)

[Signature]
NITIN KUNKOLIENKAR
Director
(DIN 00005211)

[Signature]
BINITA S. POY RAITURCAR
Director
(DIN 00981788)

Panaji, Goa Dated : 27/05/2017

AUDITOR'S CERTIFICATE

We have checked the above cash flow statement of Govind Poy Oxygen Ltd., for the year ended 31st March, 2017. The same is based on and in agreement with the corresponding Profit and Loss Account and the Balance Sheet of the Company covered by our report.

[Signature]
For S. S. DALVI & CO.
Firm Registration No. 102066W
Chartered Accountants



S. S. DALVI
Proprietor
Membership No. 11017

Panaji, Goa.
Dated : 27/05/2017

Significant accounting policies and Notes on accounts for the financial year ended March 31st, 2017

1) Corporate Information

The Govind Poy Oxygen Ltd is a company registered under Companies Act, 1956. The shares of the company is listed with Bombay Stock Exchange (BSE). The Company is in the business of production and trading of Medical Oxygen, Industrial Oxygen, Argon, Nitrogen, Dissolved Acetylene, etc.

2) Significant Accounting Policies

a) Basis of Accounting

The financial statements are prepared under the historical cost convention, on accrual basis of accounting in conformity with the accounting principles generally accepted in India and comply with the Accounting Standards referred to in Section 133 of the Companies Act 2013.

b) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual result and the estimates are recognised in the period in which the results are known / materialized.

c) Revenue Recognition

- i) Sale of goods : Income is considered to accrue upon full execution of the terms of sale, which normally coincides with delivery.
- ii) Interest/ Claims : Income is taken credit for on accrual basis wherever realisability is not in doubt and others on receipt.
- iii) Penalty for delayed return of cylinders and other services : Income is considered to accrue on time basis in accordance with the terms of sale.

d) Fixed Assets

Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation charged. Impairment in such value, if any, is adjusted. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use.

e) Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date for indicators of impairment based on internal/external factors. An impairment loss is recognized and charged to statement of profit and loss in the period in which an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in the prior accounting periods is increased or reversed to the extent of the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f) Depreciation/ Amortization

Depreciation on Fixed Assets is provided as prescribed in Schedule II on written down method in accordance with the provisions of Section 123 of the Companies Act, 2013.

g) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

h) Foreign Currency Transaction

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gain/loss arising during the year are adjusted to the the statement of profit and loss.

i) Inventories

Inventories are valued at lower of cost or net realizable value on first in first out basis. For this purpose cost of bought out inventories comprises the purchase cost of the items net of Cenvat availed and the cost of bringing them to the factory. The cost of manufactured inventories comprises the direct cost of production plus appropriate overheads. The net realizable value of bought out inventories is their current replacement cost.

j) Investments

Long term investments are valued at cost. In case of long-term investments, provision/write down is made for permanent diminution in value. Current investments are valued at lower of cost or fair value.

k) Employee Benefits :

i) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

ii) Defined Contribution Plans

The company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the statement of profit and loss for the year.

iii) Defined Benefit Plans

Payment of Gratuity to employees is covered by the Gratuity Trust Scheme based on the Group Gratuity cum Assurance Scheme of the LIC of India, which is a defined benefit scheme and the company makes contributions under the said scheme.

iv) Other Long Term Employee Benefits

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an actual valuation carried out at the end of the year.

l) Segment Reporting

The Company has identified two reportable segments viz. Gases and Investments. Segments have been identified and reported taking into account nature of products and services, the differing risk and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

m) Taxes on Income

Tax expense comprises of current and deferred tax.

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future. Deferred tax assets in case of unabsorbed depreciation are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.

n) Earnings per share

Basic Earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the company by weighted average number of equity shares in issue during the year.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Notes on accounts for the financial year ended March 31st, 2017

3) Share Capital

The Company has only one class of shares referred to as equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share.

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|---|----------------------------|----------------------------|
| Authorised Shares: 500000 Equity shares of Rs. 10/- each | 50,00,000 | 50,00,000 |
| Issued and Subscribed and fully paid: 400000 Equity shares of Rs. 10/- each | 40,00,000 | 40,00,000 |

Reconciliation of shares at the beginning and at the end of the financial year

| Particulars | Number of shares | Rupees |
|---|------------------|-----------|
| No. of shares as at the beginning of the financial year | 4,00,000 | 40,00,000 |
| Issued during the year | - | - |
| No. of shares as at the end of the financial year | 4,00,000 | 40,00,000 |

Particulars of Shareholders holding more than 5% share in the Company

| Particulars | As at 31.03.2017 | | As at 31.03.2016 | |
|--------------------------------------|------------------|---------------|------------------|---------------|
| | % | No. of shares | % | No. of shares |
| a) Bank of India | 6.91 | 27,650 | 6.91 | 27,650 |
| b) Indian Overseas Bank [†] | 7.29 | 29,150 | 7.29 | 29,150 |
| c) Sanjay Atchut Poy-Raiturcar | 55.82 | 2,23,285 | 55.77 | 2,23,085 |

4) Reserves and Surplus

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|--|----------------------------|----------------------------|
| a) Statutory Reserve | 34,04,570 | 34,04,570 |
| b) General Reserve | 51,01,625 | 51,01,625 |
| c) Share Premium / Forfeiture of shares | 4,250 | 4,250 |
| d) Patenting Scheme 2003 subsidy | 1,74,060 | 1,74,060 |
| e) Surplus | | |
| Opening Surplus i.e. Balance in Statement of P&L A/c | 1,35,60,022 | 1,43,37,378 |
| Add:- | | |
| (+) Net Profit/(Net Loss) for the year | (1,34,533) | (2,95,925) |
| Less:- | | |
| Proposed Dividend | 4,00,000 | 4,00,000 |
| Tax on dividend | 81,431 | 81,431 |
| Net Surplus in the Statement of Profit and Loss | 1,29,44,058 | 1,35,60,022 |
| Total Reserves and Surplus | 2,16,28,563 | 2,22,44,527 |

5) **Long-term borrowings**

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|---|----------------------------|----------------------------|
| Term Loans from Bank - Secured Bank of India (Secured by hypothecation of cylinders, machinery) (The loan is secured collaterally by equitable mortgage of factory land & building and hypothecation of plant & machinery and other fixed/movable assets of Arlem unit. Further the above loans are personally guaranteed by Managing Director and Director) | - | 8,93,636 |
| Total | - | 8,93,636 |

6) **Long Term Provisions**

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|---|----------------------------|----------------------------|
| Provision for Employee benefits (Refer Note No. 34) | 1,76,806 | 8,29,280 |
| Total | 1,76,806 | 8,29,280 |

7) **Other Long Term Liabilities**

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|--------------------------------|----------------------------|----------------------------|
| Deposits against Gas cylinders | 2,16,01,240 | 2,00,27,826 |
| Total | 2,16,01,240 | 2,00,27,826 |

As per the industry practice the company collects deposits against cylinders given to customers which is refundable on return of such cylinders. Considering the continuous requirement of cylinders by the customers based on past experience, the company expects a minimal outgo in the short term on account of return of cylinders. Barring an outgo so estimated, the balance of deposits are accordingly grouped under long term liabilities.

8) **Short-term borrowings**

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|--|----------------------------|----------------------------|
| Cash Credit from Bank - Secured Bank of India (Secured by hypothecation of finished products, raw materials, stores, spares and book debts.) | 13,32,478 | - |
| Total | 13,32,478 | - |

9) **Trade Payables**

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|----------------|----------------------------|----------------------------|
| Trade Payables | 20,72,354 | 27,31,430 |
| Total | 20,72,354 | 27,31,430 |

There are no overdues & interest payable to MSM Enterprises during the year and there are no such outstanding dues as at the year end.

10) Other Current Liabilities

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|--|----------------------------|----------------------------|
| Current maturities of long term debts | - | 4,48,739 |
| Advances from Customers | 6,32,662 | 3,26,516 |
| Deposit | 8,70,000 | 6,36,365 |
| Unpaid Dividend (Investor Education and Protection Fund shall be credited by respective amount, as and when due) | 1,87,861 | 1,76,469 |
| Others - | | |
| Statutory Dues | 6,58,893 | 5,83,058 |
| Creditors for expenses | 15,23,043 | 12,32,833 |
| Total | 38,72,459 | 34,03,980 |

11) Short-term Provisions

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|----------------------------------|----------------------------|----------------------------|
| Provision for employee benefits: | | |
| Compensated Absences | 2,81,479 | 3,02,246 |
| Gratuity (Refer Note No. 34) | - | 2,50,000 |
| Others: | | |
| Proposed Dividend | 4,00,000 | 4,00,000 |
| Corporate Dividend Tax | 81,431 | 81,431 |
| Total | 7,62,910 | 10,33,677 |

12) Tangible Assets

SCHEDULE 'D'

| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|--------------------------------|---------------------------------|------------------------|--------------------------------|------------------------------|--------------------------|---------------------------|------------------------------|------------------------------|------------------------------|
| | As at 31.03.2016 | Additions during the year | Sales/ Transfer | As at 31.03.2017 | As at - 31.03.2016 | During the year | Amount written back | Total upto 31.03.2017 | As at 31.03.2017 | As at 31.03.2016 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| LAND | 1,48,915 (1,48,915) | - | - | 1,48,915 (1,48,915) | - | - | - | - | 1,48,915 (1,48,915) | 1,48,915 (1,48,915) |
| BUILDINGS | 22,60,635 (22,60,635) | - | - | 22,60,635 (22,60,635) | 18,31,096 (17,90,336) | 37,015 (40,760) | - | 18,68,111 (18,31,096) | 3,92,524 (4,29,539) | 4,29,539 (4,70,299) |
| PLANT & MACHINERY | 2,77,69,636 (2,71,60,250) | 54,935 (6,09,386) | - | 2,78,24,571 (2,77,69,636) | 2,25,33,977 (2,14,46,261) | 9,29,195 (10,87,716) | - | 2,34,63,172 (2,25,33,977) | 43,61,399 (52,35,659) | 52,35,659 (57,13,989) |
| ELECTRICAL INSTALLATION | 3,61,475 (3,61,475) | - | - | 3,61,475 (3,61,475) | 2,57,096 (2,21,538) | 26,523 (35,558) | - | 2,83,619 (2,57,096) | 77,856 (1,04,379) | 1,04,379 (1,39,937) |
| CYLINDERS | 5,85,86,870 (5,73,69,265) | 46,82,090 (14,77,051) | 1,19,114 (2,59,446) | 6,31,49,846 (5,85,86,870) | 5,22,57,545 (5,14,80,942) | 11,47,839 (8,73,347) | 77,898 (96,744) | 5,33,27,486 (5,22,57,545) | 98,22,360 (63,29,325) | 63,29,325 (58,88,323) |
| FURNITURE & FIXTURES | 18,18,556 (18,01,806) | 1,18,700 (16,750) | - | 19,37,256 (18,18,556) | 12,81,926 (10,95,685) | 1,59,433 (1,86,241) | - | 14,41,359 (12,81,926) | 4,95,897 (5,36,630) | 5,36,630 (7,06,121) |
| OFFICE EQUIPMENTS | 30,53,403 (28,88,813) | 78,000 (1,64,590) | - | 31,31,403 (30,53,403) | 27,59,608 (26,03,796) | 1,26,677 (1,55,812) | - | 28,86,285 (27,59,608) | 2,45,118 (2,93,795) | 2,93,795 (2,85,017) |
| VEHICLES | 1,30,59,822 (1,33,96,197) | - (16,875) | 6,95,913 (3,53,250) | 1,23,63,909 (1,30,59,822) | 1,18,60,195 (1,16,26,188) | 3,54,106 (5,53,563) | 6,46,626 (3,19,556) | 1,15,67,675 (1,18,60,195) | 7,96,234 (11,99,627) | 11,99,627 (17,70,009) |
| | 10,70,59,312 (10,53,87,356) | 49,33,725 (22,84,652) | 8,15,027 (6,12,696) | 11,11,78,010 (10,70,59,312) | 9,27,81,443 (9,02,64,746) | 27,80,788 (29,32,997) | 7,24,524 (4,16,300) | 9,48,37,707 (9,27,81,443) | 1,63,40,303 (1,42,77,871) | 1,42,77,871 (1,51,22,610) |
| CAPITAL WORK IN PROGRESS | 1,07,000 | 3,75,569 | - | 4,82,569 | - | - | - | - | 4,82,569 | 1,07,000 |

13) Non Current Investments

| Particulars | As at 31.03.2017 | | As at 31.03.2016 | |
|---|------------------|----------|--------------------|--------------------|
| | Rupees | | Rupees | |
| Trade (Quoted on BSE/NSE) | | | | |
| Equity Shares of the face value Rs 10/- each | | | | |
| | No. of shares | | | |
| | 2016-17 | 2015-16 | | |
| Coal India Ltd. | 2,300 | 2,300 | 8,86,375 | 8,86,375 |
| Cochin Minerals | - | 235 | - | 24,017 |
| Gujarat Gas Ltd. | 675 | - | 4,33,156 | - |
| Gujarat State Petronet Ltd. | 25,700 | 13,000 | 33,71,342 | 14,61,964 |
| ICICI Prudential Life Insurance | 2,000 | - | 6,07,881 | - |
| Indian Oil Corporation Ltd | 2,200 | - | 6,46,677 | - |
| Indian Hotels Ltd | 200 | - | 22,837 | - |
| Kingfisher Airline Ltd. | 1,00,000 | 1,00,000 | 4,57,354 | 4,57,354 |
| Mahanagar Gas Ltd | 3,250 | - | 18,62,651 | - |
| Manganese Ore India Ltd. | 6,000 | 6,000 | 23,96,104 | 23,96,104 |
| MMTC FV Re 1/- | 15,400 | 15,400 | 9,46,246 | 9,46,246 |
| M.R.P.L. | 32,359 | 32,359 | 26,93,192 | 26,93,192 |
| N.M.D.C. FV Re 1/- | 27,892 | 27,892 | 64,95,304 | 64,95,304 |
| Parag Milk Foods Ltd | 6,000 | - | 17,60,106 | - |
| The Fertilisers and Chemicals Travancore Ltd. | 20,150 | 20,150 | 7,96,171 | 7,96,171 |
| Unichem Laboratories | 1,450 | - | 3,91,921 | - |
| Vikas WSP FV Re 1/- | 1,000 | 1,000 | 19,692 | 19,692 |
| VRL Logistics Limited | 700 | 200 | 1,96,722 | 53,498 |
| Western India Shipyard Ltd. FV Rs 2/- | 1,00,000 | 1,00,000 | 3,14,720 | 3,14,720 |
| | | | 2,42,98,451 | 1,65,44,637 |
| Less: Provision for Diminution | | | 23,75,000 | 20,75,000 |
| Total | | | 2,19,23,451 | 1,44,69,637 |

| | | |
|---|--------------------|--------------------|
| Market value of quoted investments | 2,27,45,026 | 1,02,26,971 |
|---|--------------------|--------------------|

14) Long Term Loans and Advances

| Particulars | As at 31.03.2017 | | As at 31.03.2016 | |
|------------------------------|------------------|------------------|------------------|------------------|
| | Rupees | | Rupees | |
| (Unsecured, Considered Good) | | | | |
| Security Deposits | | 5,07,464 | | 10,87,464 |
| MAT Credit Entitlement | | 5,85,000 | | - |
| Total | | 10,92,464 | | 10,87,464 |

15) Deferred Tax (Liabilities) / Asset - (net)

| Particulars | As at 31.03.2017 | | As at 31.03.2016 | |
|--|------------------|-----------------|------------------|------------------|
| | Rupees | | Rupees | |
| A. Deferred Tax Liability | | | | |
| On excess of net book value over Income tax written down value of fixed assets | | (11,04,906) | | (6,75,932) |
| B. Deferred Tax Assets | | | | |
| Provision for employee benefits | | 1,41,610 | | 3,41,409 |
| Unabsorbed depreciation restricted to difference in WDV | | 11,04,906 | | 35,62,078 |
| Total | | 1,41,610 | | 32,27,555 |

16) Inventories

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|-----------------------------|----------------------------|----------------------------|
| Stores & Spares | 4,76,550 | 5,50,000 |
| Manufactured & Traded goods | 12,61,599 | 17,57,637 |
| Raw materials | 9,38,744 | 12,31,032 |
| Sundry materials | 1,069 | 1,069 |
| Total | 26,77,963 | 35,39,738 |

Inventories are valued at lower of cost or net realisable value.

17) Trade Receivables - considered good

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|---|----------------------------|----------------------------|
| Debts outstanding for period exceeding six months | 12,94,872 | 42,08,749 |
| Other Receivables | 87,25,393 | 94,63,927 |
| | 1,00,20,265 | 1,36,72,676 |
| Less: Provision for Doubtful Debts | (2,47,870) | - |
| Total | 97,72,395 | 1,36,72,676 |

18) Cash and Cash Equivalents

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|-----------------------|----------------------------|----------------------------|
| With Scheduled banks: | | |
| In Current Accounts | 2,23,850 | 9,03,526 |
| In Deposit Accounts | 14,73,907 | 14,16,456 |
| Cash on Hand | 51,532 | 55,219 |
| Total | 17,49,289 | 23,75,201 |

19) Short Term Loans and Advances

| Particulars | As at 31.03.2017 Rupees | As at 31.03.2016 Rupees |
|---|----------------------------|----------------------------|
| Others (Unsecured, Considered Good) | | |
| Advances recoverable in cash or in kind or for value to be received | 3,63,269 | 12,60,951 |
| Income Tax (NET) | 1,71,847 | 6,36,328 |
| Balances with Central Excise and VAT | 2,88,150 | 3,99,937 |
| Deposits | 4,43,500 | 1,10,000 |
| Total | 12,66,766 | 24,07,216 |

20) Revenue From Operations

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Sale of Products | | |
| Manufactured & Traded Goods | 6,88,50,008 | 6,85,56,186 |
| Less: Excise Duty | (44,20,077) | (44,45,286) |
| | 6,44,29,931 | 6,41,10,900 |
| Other operating Revenue | | |
| Penalty for delayed return of cylinders & service charges | 5,99,210 | 7,09,460 |
| Freight Receipts | 16,47,482 | 18,04,562 |
| Machinery Hire Receipts | 3,00,000 | 3,92,500 |
| Total | 6,69,76,623 | 6,70,17,422 |

20) i) Details of Products Sold

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Manufactured Goods - Industrial & Medical Gases | 4,53,08,041 | 4,31,78,107 |
| Traded Goods - Industrial & Medical Gases | 2,27,23,434 | 2,47,97,880 |
| Cylinders, Valves, etc | 8,18,533 | 5,80,199 |
| Total | 6,88,50,008 | 6,85,56,186 |

21) Other Income

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|--------------------------------|--------------------------|--------------------------|
| | Rupees | Rupees |
| Interest | 4,37,192 | 6,22,137 |
| Profit on Sale of Investment | 48,981 | - |
| Profit on sale of assets (net) | 1,31,441 | 1,96,716 |
| Dividend | 4,03,993 | 4,23,704 |
| Miscellaneous Receipts | - | 7,250 |
| Total | 10,21,607 | 12,49,807 |

22) Cost of Raw material and Components consumed

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Raw Materials | | |
| Opening Stock | 12,31,032 | 10,05,491 |
| Purchases | 2,05,68,497 | 1,98,72,584 |
| | 2,17,99,529 | 2,08,78,075 |
| Less: Closing Stock | (9,38,744) | (12,31,032) |
| Cost of Raw material and Components Consumed | 2,08,60,785 | 1,96,47,043 |

22) i) Details of major Raw material and components consumed

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|-----------------|--------------------------|--------------------------|
| | Rupees | Rupees |
| Raw Material | 87,25,162 | 82,79,655 |
| Liquified Gases | 1,20,04,204 | 1,12,89,098 |
| Other Gases | 1,31,418 | 78,290 |
| Total | 2,08,60,784 | 1,96,47,043 |

23) Purchases of Traded goods

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Traded Goods - Industrial & Medical Gases Cylinders, Valves, etc | 1,47,37,437 | 1,59,79,859 |
| | 4,79,518 | 5,59,485 |
| Total | 1,52,16,955 | 1,65,39,344 |

24) (Increase)/Decrease in Inventories

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|--|--------------------------|--------------------------|
| | Rupees | Rupees |
| Opening Stock of finished / traded goods | 17,57,637 | 14,93,930 |
| Closing Stock of finished / traded goods | 12,61,598 | 17,57,637 |
| (Increase)/Decrease | 4,96,039 | (2,63,707) |

24) i) Details of Opening Stock of finished / traded goods

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Manufactured Goods - Industrial & Medical Gases | 8,74,760 | 7,83,291 |
| Traded Goods - Industrial & Medical Gases | 6,19,308 | 6,51,454 |
| Cylinders, Valves, etc | 2,63,569 | 59,185 |
| Total | 17,57,637 | 14,93,930 |

24) ii) Details of Closing Stock of finished goods

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Manufactured Goods - Industrial & Medical Gases | 4,09,568 | 8,74,760 |
| Traded Goods - Industrial & Medical Gases | 6,74,728 | 6,19,308 |
| Cylinders, Valves, etc | 1,77,302 | 2,63,569 |
| Total | 12,61,598 | 17,57,637 |

25) Other Manufacturing expenses

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Consumption of Stores, Spares & Consumables | - | 23,664 |
| Power, Fuel & Water | 9,15,911 | 10,80,658 |
| Production Expenses | 3,55,367 | 4,67,677 |
| Contract Wages | 14,70,982 | - |
| Total | 27,42,260 | 15,71,999 |

26) Employee Benefits Expenses

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Salaries & Wages | 63,64,225 | 69,23,174 |
| Employee benefits (Provident Fund, ESIC and Gratuity) | 1,99,551 | 14,16,864 |
| Workmen and Staff Welfare Expenses | 1,22,521 | 1,33,045 |
| Total | 66,86,297 | 84,73,083 |

27) Finance Cost

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|------------------|--------------------------|--------------------------|
| | Rupees | Rupees |
| Interest expense | 2,03,723 | 6,61,474 |
| Total | 2,03,723 | 6,61,474 |

28) Other Expenses

| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|--------------------------|--------------------------|
| | Rupees | Rupees |
| Rent | 4,32,000 | 4,32,000 |
| Repairs and Maintenance: | | |
| - Plant & Machinery | 9,93,737 | 10,87,647 |
| - Others (Net of Insurance claim) | 69,51,292 | 70,52,950 |
| Insurance | 3,36,807 | 2,53,182 |
| Licence, fees and taxes | 2,67,313 | 3,46,257 |
| Travelling Expenses | 5,68,972 | 9,78,853 |
| Donations | 75,000 | 10,001 |
| Printing & Stationery | 2,32,995 | 2,21,000 |
| Postage, Telegrams & Telephones | 2,68,706 | 3,55,301 |
| Auditors Remuneration- (see note No 28.i) | 1,70,000 | 1,55,000 |
| Legal & Other Professional charges | 5,10,611 | 3,58,223 |
| Security Charges | 10,53,000 | 8,52,000 |
| Bank charges | 67,458 | 52,911 |
| Directors' sitting fees | 38,000 | 28,000 |
| Freight, Loading & Unloading | 21,00,788 | 20,31,230 |
| Miscellaneous expenses | 14,82,674 | 9,69,388 |
| Penalty on return of cylinders | 1,72,800 | 1,39,080 |
| Other Expenses | 13,535 | 45,214 |
| Total | 1,57,35,688 | 1,53,68,237 |

Note 28.i)

Provision and/or payments in respect of Auditor's Remuneration

| Particulars | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|--|---|---|
| Statutory Audit Fees | 80,000 | 75,000 |
| Other Services / Fees for Limited Review | 60,000 | 60,000 |
| Tax Audit Fees | 30,000 | 20,000 |
| Total | 1,70,000 | 1,55,000 |

29) Earnings per share

| Particulars | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|---|---|---|
| Net Profit / (Loss) for the year | (1,34,533) | (2,95,925) |
| Number of Equity shares of Rs.100 each | 4,00,000 | 4,00,000 |
| Earnings per Share (Basic & Diluted) | (0.34) | (0.74) |

30) In the opinion of the Directors

- i) Current Assets, Loans and Advances have at least the values at which they are stated in the Balance Sheet, realised in the Ordinary Course of business.
- ii) All known liabilities other than contingent liabilities are provided for.

31) Contingent liabilities not provided for:

| Particulars | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|--|---|---|
| Guarantees issued by the bank on behalf of the Company | 11,85,000 | 11,85,000 |
| Disputed Excise Duty demands is in appeal before Supreme Court | 6,70,488 | 6,70,488 |

32) Segment Information

The Company has identified two reportable segments viz. Gases and Investments. Segments have been identified and reported taking into account nature of products and services, the differing risk and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

(a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

(b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segments on reasonable basis have been disclosed as "Unallocable".

Primary Segment Information

| Particulars | (Rs. in 000') | | | | | | | |
|---|---------------|---------|-------------|---------|-------------|---------|---------|---------|
| | Gases | | Investments | | Unallocable | | Total | |
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| 1 <i>Segment Revenue</i> | | | | | | | | |
| External Turnover | 71,528 | 71,659 | 453 | 424 | 437 | 629 | 72,418 | 72,713 |
| Inter Segment Turnover | - | - | - | - | - | - | - | - |
| Gross Turnover | 71,528 | 71,659 | 453 | 424 | 437 | 629 | 72,418 | 72,713 |
| Less: Excise Duty / Service Tax Recovered | (4,420) | (4,445) | - | - | - | - | (4,420) | (4,445) |
| Net Turnover | 67,108 | 67,214 | 453 | 424 | 437 | 629 | 67,998 | 68,267 |
| 2 <i>Segment Result before Interest and Taxes</i> | 3,042 | 3,369 | - | - | - | - | 3,042 | 3,369 |
| Less: Interest Expense | (204) | (661) | - | - | - | - | (204) | (661) |
| Add : Interest Income | - | - | - | - | 437 | 629 | 437 | 629 |
| Profit Before Tax & Exceptional Items | 2,839 | 2,707 | - | - | 437 | 629 | 3,276 | 3,337 |
| Less: Exceptional Items | - | - | (300) | (2,075) | - | - | (300) | (2,075) |
| Profit Before tax | 2,839 | 2,707 | (300) | (2,075) | 437 | 629 | 2,976 | 1,262 |
| Current Tax | (24) | (621) | - | - | - | - | (24) | (621) |
| Deferred Tax | (3,086) | (937) | - | - | - | - | (3,086) | (937) |
| Net Profit After Tax | (272) | 1,150 | (300) | (2,075) | 437 | 629 | (135) | (296) |
| 3 <i>Other Information</i> | | | | | | | | |
| Segment Assets | 33,210 | 36,831 | 21,923 | 14,470 | - | - | 55,133 | 51,300 |
| Segment Liabilities | 27,546 | 25,714 | - | - | - | - | 27,546 | 25,714 |
| Capital Expenditure | 4,934 | 2,285 | - | - | - | - | 4,934 | 2,285 |
| Depreciation | 2,781 | 2,933 | - | - | - | - | 2,781 | 2,933 |
| Non-cash Expenses other than depreciation | - | - | (300) | (2,075) | - | - | (300) | (2,075) |

33) Disclosures as required by AS - 15 (Employee Benefits)
Gratuity (Insurer Managed Fund)

| i | Actuarial Assumptions | Year ended 31.03.2017 | Year ended 31.03.2016 |
|---|---------------------------|--------------------------|--------------------------|
| | Discount Rate (per annum) | 8.00% | 8.00% |
| | Salary escalation rate | 7.00% | 7.00% |

Other assumptions like expected return on plan assets and mortality rates are based on the data / statistics used by Life Insurance Corporation of India

| ii | Reconciliation of present value of obligations | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|----|---|------------------------------------|------------------------------------|
| | Present value of obligation at beginning of the year | 30,26,786 | 31,30,660 |
| | Current Service Cost | 1,67,375 | 1,70,259 |
| | Past Service Cost | - | - |
| | Interest Cost | 2,42,143 | 2,50,453 |
| | Actuarial (gain)/loss | (6,56,693) | (5,77,173) |
| | Benefits Paid | 92,908 | 11,01,759 |
| | Present value of obligation at the end of the year | 26,86,703 | 30,26,786 |

| iii | Reconciliation of fair value of plan assets | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|-----|---|------------------------------------|------------------------------------|
| | Fair value of plan assets at the beginning of the year | 19,47,506 | 26,04,018 |
| | Expected return on planned assets | 1,75,343 | 1,95,247 |
| | Actuarial (gain)/loss | - | - |
| | Contributions | 4,79,956 | 2,50,000 |
| | Benefits paid | 92,908 | 11,01,759 |
| | Assets distributed on settlements (if applicable) | - | - |
| | Fair value of plan assets at the end of the year | 25,09,897 | 19,47,506 |

| iv | Net (Asset)/ Liability recognized in the Balance Sheet as at year end | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|----|---|------------------------------------|------------------------------------|
| | Present value of obligations at the end of the year | 26,86,703 | 30,26,786 |
| | Fair value of plan assets at end of the year | 25,09,897 | 19,47,506 |
| | Funded Status | 1,76,806 | 10,79,280 |
| | Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet | 1,76,806 | 10,79,280 |

- 34) Disclosure of transactions with related parties as required by Accounting Standard – 18 on related party disclosures as prescribed by Companies (Accounting Standards) Rules, 2006.

A Related parties and nature of relationship

i) Key Management Personnel

- Shri Sanjay A. Poy Raiturcar - Managing Director
- Shri Manohar S. Usgaonkar - Director
- Shri Ashok Panvelkar - Director
- Shri Nitin A. Kunkolienkar - Director
- Mrs Binita S. Poy Raiturcar - Director
- Shri Sudin M. Usgaonkar - Director

ii) Enterprises over which persons in (i) above are able to exercise significant influence:

- Nasik Oxygen Co. Pvt. Ltd.
- Fabrica de Gas Carbonico Pvt. Ltd.
- Nalanda Agencies Pvt. Ltd.
- Venkatesh Automobiles

B Description of Transactions

| Nature of transaction | Key Management Personnel | | Enterprises where significant influence exists | |
|--|--------------------------|-------------------|--|-------------------|
| | 2016-17 Rupees | 2015-16 Rupees | 2016-17 Rupees | 2015-16 Rupees |
| EXPENDITURE | | | | |
| Salary & Contribution to PF | 16,97,680 | 16,87,035 | - | - |
| Rent of office premises | 1,92,000 | 1,92,000 | 36,000 | 36,000 |
| Directors sitting fees | 38,000 | 28,000 | - | - |
| Travelling and Conveyance | 2,12,656 | 5,39,104 | - | - |
| Purchase of Materials | - | - | 58,13,542 | 76,19,358 |
| Purchase of Assets | - | - | - | - |
| Repairs & Maintenance:- | | | | |
| Plant & Machinery | - | - | 1,36,747 | 1,23,514 |
| Others | - | - | - | - |
| Freight | - | - | 18,41,180 | 21,37,849 |
| Contract Wages | - | - | 15,37,786 | 1,35,027 |
| Penalty on delayed return of cylinders | - | - | 1,72,800 | 1,39,080 |
| Production Expenses | - | - | (4,500) | 2,01,179 |
| INCOME | | | | |
| Supply of materials | - | - | 25,626 | 6,46,086 |
| Interest | - | - | 2,65,479 | 4,90,203 |
| Machinery Hire Receipts | - | - | 3,45,000 | 4,18,747 |
| TRADE RECEIVABLES / (PAYABLES) | | | | |
| Fabrica De Gas Carbonico Pvt. Ltd. | - | - | (1,90,317) | 31,03,855 |
| Nalanda Agencies Pvt. Ltd. | - | - | 1,38,194 | 31,476 |
| Nasik Oxygen Co. Pvt. Ltd. | - | - | (3,45,017) | (1,84,012) |
| Venkatesh Automobiles | - | - | 1,64,508 | - |
| LOANS & ADVANCES | | | | |
| Venkatesh Automobiles | - | - | - | 4,47,877 |
| DEPOSITS | | | | |
| Venkatesh Automobiles | - | - | - | 6,00,000 |

35) Break-up of Consumption

| Particulars | Year ended 31.03.2017 | | Year ended 31.03.2016 | |
|-----------------|-----------------------|--------------------|-----------------------|--------------------|
| | % | Amount (Rs) | % | Amount (Rs) |
| Raw Materials | | | | |
| Imported | - | - | - | - |
| Indigenous | 100 | 2,08,60,784 | 100 | 1,96,47,043 |
| Total | 100 | 2,08,60,784 | 100 | 1,96,47,043 |
| Stores & Spares | | | | |
| Imported | - | - | - | - |
| Indigenous | 100 | - | 100 | 23,664 |
| Total | 100 | - | 100 | 23,664 |

36) CIF Value of imports made during the year

| Particulars | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|---------------------|------------------------------------|------------------------------------|
| Raw Materials | NIL | NIL |
| Components & Spares | NIL | NIL |
| Capital Goods | NIL | NIL |

37) Expenditure in Foreign Currency

| Particulars | Year ended 31.03.2017 Rupees | Year ended 31.03.2016 Rupees |
|--|------------------------------------|------------------------------------|
| Expenditure in Foreign Currency | NIL | NIL |
| Dividends remitted in Foreign Currency | NIL | NIL |
| Earnings in Foreign Currency | NIL | NIL |

38) Disclosure of 'Specified Bank Notes' held and transacted during the period 08.11.2016 to 30.12.2016

| Particulars | Specified bank notes | Other denomination notes | Total |
|---------------------------------------|----------------------|--------------------------|-----------|
| Closing cash in hand as on 08.11.2016 | 81,500 | 23,662 | 1,05,162 |
| Add: Permitted receipts | 41,021 | 15,71,735 | 16,12,756 |
| Add: Nonpermitted receipts | 1,12,979 | - | 1,12,979 |
| Less: Permitted payments | - | 5,32,772 | 5,32,772 |
| Less: Amount deposited in Banks | 2,35,500 | 9,97,395 | 12,32,895 |
| Closing cash in hand as on 30.12.2016 | - | 65,230 | 65,230 |

39) Figures have been rounded off to the nearest rupee. Previous year figures, unless otherwise stated are given within brackets and have been re-grouped and recast wherever necessary to be in conformity with current year's layout.

As per our report of even date attached
For S. S. DALVI & CO.
Firm Registration No. 102066W
Chartered Accountants

chaks

S. S. DALVI
Proprietor
Membership No. 11017



Place : Panaji
Dated : 27/05/2017

For and on behalf of the Board of Directors

M. S. Usgaonkar
M. S. USGAONKAR
Director
(DIN 00358368)

Ashok Panvelkar
ASHOK PANVELKAR
Director
(DIN 02757226)

Nitin A. Kunkoliencar
NITIN A. KUNKOLIENCAR
Director
(DIN 0005211)

Sudin Usgaonkar
SUDIN USGAONKAR
Director
(DIN 00326964)

Sanjay A. Poy Raiturcar
SANJAY A. POY RAITURCAR
Chairman & Managing Director
(DIN 00358326)

BINITA S. POY RAITURCAR
Director
(DIN 00981788)

Place : Panaji, Goa
Dated : 27/05/2017