



National Oxygen Limited

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

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

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

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

CIN:-L24111TN1974PLC006819

Date:-03.10.2016

Bombay Stock Exchange
P.J. Towers,
Dalal Street,
Mumbai-400001

Sub: Copy of the approved Annual Report of 41st Annual General Meeting held on September 29, 2016 pursuant to Clause 34 of the SEBI (LODR) Regulations, 2015

Dear Sir,

We are submitting herewith the copy of the approved Annual Report of 41st Annual General Meeting of the Company held on September 29, 2016. Kindly take the same on record in terms of above clause 34 of the SEBI Listing Obligations and disclosure requirements (Regulation) 2015.

This is for your information and record

Thanking you,

Yours faithfully,

For National Oxygen Limited

K.Venkateswaran

Compliance Officer



An ISO 9001 - 2000 Company

Breathing Life Into Industry

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

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

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

BOARD OF DIRECTORS

Shri. G.N. SARAF

Managing Director [Re-designated as
Chairman w.e.f.01.08.2016]

Smt. VEENA DEVI

Director

Shri. RAJESH KUMAR SARAF

Joint Managing Director [Re-designated
as Managing Director w.e.f.01.08.2016]

Shri. P. SIVA

Independent Director

Dr. D.M. MOHUNTA

Independent Director

Shri. ANIL SETH

Independent Director

REGD. & ADMINISTRATIVE OFFICE

CIN No.L24111TN1974PLC006819
80, (Old No.141), Greams Road, Chennai – 600 006.
Phones:28290707 Fax: (044) 28290770
E-mail: contact@nolgroup.com
Website: www.nolgroup.com

FACTORIES

- | | | |
|--|---|---|
| 1. Trichy – Pudukkottai Road,
Mathur - 622515 | 2. Pondy – Villupuram Road,
Thiruvandar Koil, Puducherry-605102. | 3. R.5, Sipcot industrial Growth Centre,
Perundurai-638052 |
|--|---|---|
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REGISTRAR AND SHARE TRANSFER AGENTS

CAMEO CORPORATE SERVICE LIMITED

“Subramanian Buildings”, 1, Club House Road, Chennai-600 002. Phone: 28460390.
Mail : cameo@cameoindia.com

AUDITORS

M/s. SINGHI & CO.,
Chartered Accountants
Unit-II-D, 11th Floor,
EGA Trade Centre,
809, Poonamallee High Road,
Kilpauk, Chennai - 600 010.

SECRETARIAL AUDITORS

Lakshmmi Subramanian & Associates
“Murugesu Naicker Office Complex”
No.81, Greams Road, Chennai-6

BANKERS

Punjab National Bank
No.9, Nungambakkam High Road,
Nungambakkam,
Chennai-34

National Oxygen Limited**CIN:L24111TN1974PLC006819**NO.80 (OLD No.141), GREAMS ROAD,OPP.GREAMS ROAD POST OFFICE
CHENNAI-6

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 41st Annual General Meeting of National Oxygen Limited will be held at 'North Madras Arya Vysya Sangam' Vasavi Kalyan Mahal, 43-A, Bharathiar Street, Vivekananda Nagar, Chennai-600118 on Thursday, 29th September, 2016 at 10.00 a.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, the Reports of the Board of Directors and the Auditors thereon,
2. To appoint a Director in the place of Smt. Veena Devi Saraf (having DIN 00007376) who retires from office by rotation and being eligible offers herself for reappointment.
3. To appoint a Director in the place of Shri. Gajanand Saraf (having DIN 00007320) who retires from office by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration. In this connection, to consider and if thought fit, to pass the following as an Ordinary Resolution.

RESOLVED THAT in terms of the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act 2013 read with underlying rules viz. Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the resolution of Members at the 39th Annual General Meeting held on 12th September, 2014, the appointment of M/s. Singhi & Co. Chartered Accounts (Registration No. 302049E) as statutory auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the 42nd Annual General Meeting (AGM) of the Company, be ratified by the Members on a remuneration inclusive of service tax and such other tax(es) (as may be applicable) and reimbursement of all out-of pocket expenses in connection with the audit of the accounts of the Company (including terms of payment) to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to the provisions of Sections 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the companies Act 2013 (including any statutory modification thereof for the time being in force) & Rules made thereunder and such other consents and permission as may be necessary, the consent of the members of the company be and is hereby accorded for the appointment of Mr. Rajesh Kumar Saraf as Managing Director of the Company for a period of three years w.e.f. 01.08.2016 and payment of remuneration for the aforesaid period on the terms and conditions as approved by the remuneration committee in its meeting held on 29.07.2016 and recommended by the board of directors as detailed below:

Salary: Rs 300000/- (Three Lakhs only)per month plus perquisites and other allowances. The overall limit of the salary inclusive of perquisites and other allowances shall not exceed the ceiling as provided in section II (A) Part II of Schedule V of the Companies Act 2013.

RESOLVED ALSO THAT the Board of Directors be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to do all statutory filings as required by the Companies Act 2013.

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

**Sd/-
Rajesh Kumar Saraf
Joint Managing Director**

Place: Chennai
Date: 29.07.2016

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.

A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other person or shareholder.

THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED COMMENCEMENT OF THE MEETING.

1. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy Form, for identification purpose.
2. The Register of Members and Transfer Books of the Company will remain closed from Tuesday, 27th September 2016 to Friday, 30th September 2016 (both days inclusive) for the purpose of AGM.
3. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
4. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a Green Initiative in Corporate Governance and allowed Companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email addresses for the said purpose. Hence Members are requested to register their e-mail addresses with the Company by sending their details relating to name, folio no./DP Id/Client Id to the company's email id : grievancesredressal@nolgroup.com
5. Members are requested to notify immediately any change in their address to the Registrar and Share transfer Agent – M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600 002.
6. Members who hold shares in physical form are requested to dematerialize their holdings to make the Company's shares traded in normal segment.
7. Details of Dividend declared from the financial year 2008-2009 onwards is as follows:

Financial Year	Declared on	Rate of Dividend	Amount of Dividend per share
2008-2009	18.09.2009	10%	Re.1.00
2009-2010	17.09.2010	10%	Re.1.00

2010-2011	03.11.2011	10%	Re.1.00
2011-2012	03.05.2012	10%	Re.1.00 (Interim Dividend)
2012-2013	25.09.2013	10%	Re.1.00
2013-2014		Dividend not declared	
2014-2015		Dividend not declared	
2015-2016		Dividend not declared	

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

8. Information about Directors retired by rotation.

Name of the Director	Smt. Veena Devi Saraf	Gajanand Saraf
DIN	00007376	00007320
Age	76 years	81 Years
Date of appointment	11.10.1989	01.09.2010
Experience	26 years	30 years
No.of shares as on 31.03.2016	361871	794108
Directorship in other public companies	Nil	5
Chairman/Member of committees of company 1		1
Relationship with any other Director	Wife of Mr. Gajanand Saraf Mother of Mr. Rajesh Kumar Saraf	Husband of Smt.Veena Devi Saraf Father of Mr. Rajesh Kumar Saraf

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

10. Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 41st Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited. E-Voting is optional. The procedure and instructions for the same are as follows:

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

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

- (i) The voting period begins on 26.09.2016 at 9.00 a.m. and ends on 28.09.2016 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 22.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on the e-voting website www.evotingindia.com
- (iii) Click on “ Shareholders ” tab
- (iv) Now, select the “ NATIONAL OXYGEN LIMITED “ from the drop down menu and click on “SUBMIT”
- (v) Now enter your user ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the image verification as displayed and click on Login
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for National Oxygen Limited
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders and Custodians
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- 11. Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:**
- (i) The manner of voting for the members being present in the General Meeting will be on “proportion principle” ie one share – one vote unlike one person one vote principle, further, as per the provision of the Companies Act, 2013, demand for poll will not be relevant.
 - (ii) The option of voting by show of hands will not be available for members presenting the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, ie voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.
 - (iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.
 - (iv) The facility for voting through ballot form shall be made available to all the shareholders who could not exercise their vote through e-voting. The ballot paper in Form MGT-12 is being sent to all the members, along with this report. The voting rights of Members shall be in proportion their shares of the paid up equity share capital of the Company as on 22.09.2016.

A Member desiring to exercise vote by ballot paper should complete the Ballot Form attached with this report and sent it to : National Oxygen Limited, No.80,(Old No.141), Greams Road, Chennai-600006.

Please return the form duly completed through post or courier, so as to reach the company on or before the close of working hours of between 10.00 a.m and 5.00 p.m on 28.09.2016

The facility of voting through ballot form shall also be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through ballot form

- (v) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares on the cut-off date i.e. 22.09.2016 may obtain

the login ID and password by sending an email to investor@cameoindia.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote

- (vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days after the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nolgroup.com and website of CDSL <http://www.evotingindia.com> and also forward the same to the Bombay Stock Exchange Limited simultaneously, where the Company's shares are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

ITEM No.5

Shri Rajesh Kumar Saraf was reappointed as Whole Time Director for a period of three years w.e.f. 01.10.2013 at the Annual General Meeting held on 25.09.2013. He has helped the company in achieving its targets with his rich experience in the field of Industrial Gases and administration. His re-appointment will benefit the company in many ways. The Board of directors has reappointed Mr. Rajesh Kumar Saraf as Managing Director subject to the approval of the members in the Annual General Meeting for a further period of three years w.e.f.01.08.2016 at the remuneration as recommended by the Remuneration Committee at its meeting held on 29.07.2016 as detailed below:

Salary: Rs 300000/- (Three Lakhs only)per month plus perquisites and other allowances. The overall limit of the salary inclusive of perquisites and other allowances shall not exceed the ceiling as provided in section II (A) Part II of Schedule V of the Companies Act 2013.

Details as required in clause (iv) of Section II , Part II of Schedule V of the Companies Act 2013

General Information

- 1) Nature of Industry : Manufacturing Industrial Gases
- 2) Date of Commencement of business: The company had commenced its business from the date of its inception as a private limited company

3) Financial Performance:

Particulars	For the period ended 31.03.2016
Revenues	
Gross Revenue from operation	363902689
Less: Excise duty	31178225
Net revenue from operation	332724464
Other income	2594110
Total revenue	335318574
Expenses	
Cost of materials consumed	13622995
Changes in inventories	-592636
Employees benefits expenses	28399557
Power and fuel	214443668
Finance cost	60990821
Depreciation and amottization	39435160
Other expenses	47813738
Total expenses	404113303
Profit / (Loss) before tax	(68794729)
Deferred tax	(11947000)
Profit / (Loss) for the year	(56847729)
Earning per equity share	(11.84)

4) Foreign investment or collaborators if any: NIL

Information about Mr. Rajesh Kumar Saraf

- 1) Background details: Promoter and had rich experience in manufacturing of industrial gases.
- 2) Past remunetaion: 300000/- per month inclusive of the perquisites and other allowances .
- 3) Recognition or awards: Nil
- 4) Job profile and his suitability: Whole Time Director, [Managing Director w.e.f.01.08.2016]
- 5) Remuneration proposed: 300000/- (Three Lakhs only)per month plus perquisites and other allowances. The overall limit of the salary inclusive of perquisites and other allowances shall not exceed the ceiling as provided in section II (A) Part II of Schedule V of the Companies Act 2013.

- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person :

Only minimum remuneration proposed to managerial personnel and comparatively lower than any other company in the same industry and with the same kind of operation

- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any,

Mr. Rajesh Kumar saraf is holding 618700 shares comprising 12.88% in the paid up capital of the company and is related to Mr. Gajanand Saraf, Managign Director and Smt. Veena Devi Saraf, Director

Other information

- 1) Reason for loss or inadequate profits:

The company has incurred loss due to the cost increase of raw materials and other components

- 2) Steps taken or proposed to be taken for improvement:

The company has taken steps to reduce variable cost and to increase sales by sales promotion

- 3) Expected increase in productivity and profits in measurable terms:

The rated capacity of plants will be achieved subject to market condition.

None of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise, in this resolution except Mr. Rajesh Kumar Saraf, Mr.Gajanand Saraf and Smt. Veena Devi Saraf

By and on behalf of Board of Directors

Place : Chennai
Date : 29.07.2016

**Sd/-
Rajesh Kumar Saraf
Joint Managing Director**

DIRECTORS' REPORT

Ladies and Gentlemen,

Your Directors have pleasure in presenting 41st ANNUAL REPORT of your Company together with the Audited Statement of Accounts and the Auditors' Report for the Financial Year ended 31st March, 2016. The summarized financial results for the Financial Year are as under:

FINANCIAL SUMMARY

	2015-2016 (Rs in lakh)	2014-2015 (Rs in lakh)
Gross Profit /(Loss)	(293.59)	(676.97)
Depreciation	(394.35)	(417.31)
Profit / (Loss) before tax	(687.94)	(1094.28)
Provision / Release of Deferred Tax	119.47	11.28
Net profit for the year	(568.47)	(1083.00)
Balance brought forward from the earlier year	(1302.75)	(219.74)
	(1871.22)	(1302.74)

PERFORMANCE AND STATE OF COMPANY'S AFFAIRS OF THE COMPANY

During the year under review, the Company has incurred net loss Rs.5.6 crore as against loss of Rs10.8 crore in the previous year. The total revenue of the Company has increased while comparing the previous year and hence the loss decreased .

BUSINESS OPERATIONS:

Industrial Gases

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

Windmill

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

DIVIDEND

Considering the current and accumulated losses of your Company, the Board of Directors is not recommending any dividend for the year 2015-2016.

TRANSFER OF PROFIT TO RESERVES

During the year your company has met net loss of Rs . 5.6 crore/- . Hence the question of transfer of profit to reserve does not arise.

MATERIAL CHANGES AND COMMITMENTS OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31,2016) and the date of the Report and there is no significant and material orders passed by the regulators or courts or tribute impacting the going concern status and company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186:

Details of loans, guarantees and investments covered under the provision of section 186 of the companies act 2013 are given below:

Particulars	Number	Amount
Loan Given	NIL	NIL
Investment made Unquoted Investments in Equity Instruments		
i) Pondicherry Agro Foods Pvt Ltd	9000 shares (Face value Rs.10/-)	90000.00
ii) Beta Wind Farm Pvt Ltd	77916 shares (Face Value Rs.10/-)	1480404.00
iii) TCP Limited	470 shares (Face Value Rs.100/-)	47000.00
Investment in Govt.Securities		
iv) National Savings Certificate	Nil	5000.00
v) Indira vikas patra	NIL	500.00
Guarantee Given	Nil	Nil

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company doesn't have any subsidiaries, associates and joint venture companies

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134 (3) (m) of the Companies Act 2013 are attached as Annexure -1:

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL (KMPs)

Board Composition and Independent Directors

The Board consists of the Executive Chairman, two Executive directors and three Independent Directors.

Independent Directors are appointed for a term of five years and are not liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI Listing Regulations.

Retirement by Rotation

Pursuant to Section 152 of the Companies Act, 2013 Smt. Veena Devei Saraf and Mr. Gajanand Saraf who retire by rotation at the forthcoming AGM and is eligible for re-appointment.

Also Mr Rajesh Kumar Saraf, (Managing Director)whose appointment is put forth to the members for their confirmation at the ensuing Annual General Meeting.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are T.Sudakar Chief Financial Officer and Mr.K.Venkateswaran , Compliance Officer as on date of signing of this report.

DECLARATION OF INDEPENDENT DIRECTORS

As per the Companies Act 2013, your company had appointed three independent directors and they have declared that they meet the criteria of independence in terms of Section 149(6) of the Companies Act 2013 and that there is no change in their status of Independence.

POLICY OF DIRECTORS APPOINTMENT AND REMUNERATION

Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 of the Act are covered under the Board's policy formulated by the Company .

INFORMATION U/s 197(12) OF THE COMPANIES ACT 2013

The information required under section 197 (12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as Annexure-2.

STATUTORY AUDITORS:

As per the provisions of the Companies Act 2013, M/s Sing & Co, Chartered Accountants, had been appointed as the statutory auditors of the Company to hold office from the conclusion of the 39th Annual General Meeting held on 12.09.2014 till the conclusion of Annual General Meeting to be held in 2017(42nd AGM) subject to the ratification of share holders in every Annual General

Meeting . The company has received confirmation from the audit firm regarding their consent and eligibility under sections 139 and 141 of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014 for appointment as the Auditors of the Company.

The Audit committee and the Board of Directors have recommended to ratify the appointment of auditors for the financial year 2016-17. The necessary resolution is being placed before the shareholder for their approval.

Statutory Auditor of the company has given an unmodified report without any qualification or observation.

SECRETARIAL AUDITOR

Pursuant to the requirements of Section 204(1) of the Companies Act 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014, the company has appointed, Mrs Lakshmmi Subramanain & Associates , Practicing Company Secretaries to conduct the secretarial audit for the financial year 2015-16. The Secretarial Audit report as received from the secretarial auditor is annexed to this report as Annexure-3

COMMENT ON SECRETARIAL AUDITOR REPORT

With reference to the remarks made by the secretarial auditor, Mrs. Lakshmmi Subramanian, Practicing Company Secretary, in her secretarial audit report , the company has taken the corrective measures during the current financial year.

INTERNAL CONTROL AND ITS ADEQUACY

The Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. The internal auditors of the Company regularly conduct audit and submit his quarterly reports, which are reviewed by the Audit Committee. The Company has an adequate Internal Control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

RELATED PARTY TRANSACTIONS U/S 188 (1)

There were some transactions with Related Parties during the financial year 2015-16 which were not in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in Note No.37 of the Notes to the financial statements. Details of the transactions are provided in Form AOC-2 which is attached as Annexure – 4

The Board had approved the Related Party Transactions which are not material as defined under clause 23 of the SEBI, LODR 2015

EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extracts of Annual Return in form MGT-9 as provided under sub-section (3) of section 92 of the Companies Act is annexed herewith as Annexure- 5 to this report.

RISK MANAGEMENT POLICY

Your Company has an established Enterprise Risk Management function that engages with all the business verticals for risk assessment , ensures that the risk mitigation plans are in place and validates the risk mitigation status regularly . Action plans are incorporated into the corporate plans of your company. The steering committee consisting of core Business vertical Heads oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting, The Committee, Chaired by the Managing Director, reviews on a quarterly basis the enterprise risks to the achievement of the business objectives. The steering Committee updates the Risk Management committee comprising of independent directors and non-executive director on the enterprise risks and the action taken thereon

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. The Board of Directors are responsible for redressal of complaints related to sexual harassment During the year ended 31 March 2016, the Board did not receive any complaints pertaining to sexual harassment.

DEPOSIT FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on date of the balance sheet.

CORPORATE GOVERNANCE REPORT

Since your company's paid up capital and Net worth is less than Rs.10 Crores and Rs.25 Corers respectively, the provisions of clause 27 of the SEBI LODR,2015 relating to Corporate Governance, vide SEBI circular dated CIR/CFD/POLICY CELL/7 is not applicable to the Company.

BOARD MEETINGS HELD DURING THE YEAR

The Board met four times during the financial year, and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

ANNUAL BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and in terms of Regulation 17(10) of the

SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Audit and the Nomination and Remuneration Committees.

PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Audit and Nomination & Remuneration Committees and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

A structured questionnaire was prepared after taking into consideration of the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman of the Board and the Executive Directors was carried out by the Independent Directors.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors had adopted a Code of Conduct for the Board Members and employees of the company. This code helps the Company to maintain the standard of business ethics and ensure compliance with the legal requirements of the company

The code is aimed at preventing any wrongdoing and promoting ethical conduct at the Board and employees. The Compliance officer is responsible to ensure adherence to the Code by all concerned

The code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders

All the Board Members and the Senior Management personnel have confirmed compliance with the Code

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Pursuant to section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and clause 49 of the Listing Agreement, the Board of Directors had approved the policy on vigil mechanism / whistle blower and the same was hosted on the website of the Company. The policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director / employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year

BOARD COMMITTEES

The Board had constituted the following committees Viz Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your company is not having profits more than Rs. 5 crores, in the year 2015-16 and therefore Constituting of a CSR Committee and its compliance in accordance with the provisions of Section 135 of the Act, does not arise.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year, there were no such instances of significant and material orders passed by the regulators, courts or tribunals.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and Developments

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

Opportunities and Threats

Our company project has resulted in high quality output which has resulted to tie up long term contracts with the customers. The plants at Pondichery and Perundurai are also performing at its rated capacity.

Increase in interest rate on Bank Credit Facilities and variable cost of inputs will affect the margin

Segment wise performance

The performance of the products manufactured by the company namely Industrial Gases are satisfactory and the only problem faced by the company is power interruption and power failure which are beyond control. The overall working and performance of the windmill is satisfactory.

Risks and Concerns:

Our main concern is, continuous competition from MNCs by reducing the price in the market due to which the company has to reduce the price to retain its share in the market. Regarding the windmill, power generation is depends on the seasonal wind and accordingly power is generated as and when the wind is good.

Internal control system and their adequacy

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

Financial performance with respect to operational performance

Summary of statement of profit and loss account is given below

Revenue	31.03.2016 (Rs in lakh)	31.03.2015 (Rs in lakh)
Gross Revenue from Operation	3639.02	3081.24
Less: excise duty	311.78	267.95
Net Revenue from operation	3327.24	2813.29
Other income	25.94	16.88
Total revenue	3353.18	2830.17
Expenses		
Cost of material consumed	136.23	86.50
Changes in inventory	(5.92)	0.66
Employees benefit expenses	283.99	290.90
Power and fuel	2144.44	2068.63
Finance cost	609.90	542.61
Depreciation and amortization	394.35	417.31
Other expenses	478.14	517.84
Total expenses	4041.13	3924.45
Profit / (Loss) before tax	(687.95)	(1094.28)

Revenue:

Your company net revenue improved by 18.10% due to increase of sales while comparing the previous year and other income has also increased by 53.67%

Expenses:

Cost of material consumed increased by 57.49% due to the increase of production

Changes in inventories decreased by 793.39% due to efficient inventory management

Employees benefit expenses decreased by 2.37% due to retirement of employees and such vacancies have not been filled up so far

Power and fuel expenses increased by 3.66% due to consumption proportionate to production and cost increase.

Finance cost increased by 12.40% due to borrowing and increase of rate of interest.

Depreciation and Amortization cost decreased by 5.50% due to non- installation of new machinery

Other expenses decreased by 7.66% due to implementation of cost reduction in some non productive centre in the company

Total expenses increased by 2.97% .which is reasonable while comparing the increase of production.

Material developments in human resources / Industrial relations front:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 134 (5) of the Companies Act, 2013, the Board of Directors hereby confirm:-

- (i) That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors had selected such accounting policies and 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 the affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors had prepared the Annual Accounts on a going-concern basis;
- (v) That proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from the business constituents during the year under review.

Place: Chennai
Date: 29.07.2016

By Order of the Board,
Sd/-
G.N.Saraf
Chairman

ANNEXURE –1**Details relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:****(A) Conservation of energy**

- (i) Introduction of efficient lighting system and special capacitor banks for improvement of power factor
- (ii) Improvements in operating efficiency and reduction of losses at workers level
- (iii) Technology for production of gases is being upgraded continuously. Also distribution technology for cryogenic liquid products is streamlined
- (iv) Capital investment on energy conservation equipments: NIL

(B) Technology absorption

- (i) The efforts made towards technology absorption: NIL
- (ii) Benefits derived
 - Production improvement : NIL
 - Cost Reduction: NIL
 - Product development or Import substitution ; NIL
- (iii) Imported Technology ; NIL
- (iv) Expenditure Incurred on Research and Development ; NIL

(C) Foreign exchange earnings and outgo:

	2015-16	2014-15
Earnings in Foreign Exchange :	NIL	NIL
Expenditure in Foreign Exchange:	NIL	Rs. 32,61,482/-
CIP Value of imports	16,53,473/-	Rs.1,27,53,148/-

Place: Chennai
Date: 29.07.2016

On behalf of the Board
Sd/-

G.N.Saraf
Chairman

ANNEXURE- 2

The information under section 197 of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Executive Directors	Ratio to Median Remuneration
Mr. Gajanand Saraf- Managing Director	23.07
Mr. Rajesh Kumar Saraf- Joint Managing Director	23.07

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	Nil
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- c) The percentage increase in the median remuneration of employees in the financial year:

Nil

- d) The number of permanent employees on the rolls of the company:

119

- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial remuneration:

No major annual increase to employees and Managerial Personnel has been given to for the past two years

- f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The company affirms the remuneration is as per the remuneration policy of the company

- g) None of the other employee is in receipt of remuneration exceeding 500000/- p.m or 6000000/- p.a as prescribed under sub rule 2 of the Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

Place: Chennai
Date: 29.07.2016

Sd/-
Gajanand Saraf
Chairman

ANNEXURE- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To the Members
National Oxygen Limited
No.80(Old No.141), Greams Road
Chennai -600 006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by National Oxygen Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by National Oxygen Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions as applicable to the Company during the period of audit:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act 1956 to the extent applicable
- (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) 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, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015 (Applicable with effect from 15th May, 2015)
 - (c) 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 to the extent of securities issued;
- (v) The Listing Agreement entered into by the Company with the Stock Exchanges where the Securities of the Company are listed and the uniform listing agreement with the said stock

exchanges pursuant to the provisions of the SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 (applicable with effect from 1st December, 2015)

- (vi) Secretarial Standard with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India applicable with effect from 1st July, 2015
- (vii) In our opinion and as identified and informed by the Management of the Company the following laws as being specifically applicable to the Company
 1. Explosives Act, 1884
 2. Explosives Rules, 2008
 3. Gas Cylinder Rules, 2004
 4. Static & Mobile pressure vessels (unfired) Rules 1981
 5. Drugs & Cosmetics Acts & Rules
 6. The Legal Metrology Act, 2009

It is reported that during the period under review, the Company had complied with the provisions of the Act, Rules, Regulations and Guidelines as mentioned above except that the Key Managerial Personnel were appointed before the date of signing this report.

We further report that there were no actions / events in pursuance of

- (a) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- (d) Foreign Exchange Management Act, 1999 and the rules and regulations.
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

requiring compliance thereof by the Company during the Financial Year under review

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, the Company has adequate systems and control mechanism in the company to monitor and ensure compliance with applicable other general laws including Industrial Laws, Human Resources and Labour Laws and Environmental Laws and in certain areas the process is being strengthened.

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that:

The Board of Directors of the Company is generally well constituted with proper balance of Executive

Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors that took place during the period.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period, no events have occurred during the year, which have a major bearing on the Company's affairs.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

Lakshmmi Subramanian

Senior Partner

FCS No. 3534- C.P.No.1087

Place : Chennai.

Date : 29.07.2016

Note: This report is to be read with our letter of even date which is annexed as Annexure A and form forms an integral part of this report.

ANNEXURE-A

To the Members

NATIONAL OXYGEN LIMITED

No.80(Old No.141), Greams Road

Chennai -600 006

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc..
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

Lakshmmi Subramanian

Senior Partner

FCS No. 3534

C.P.NO. 1087

Place: Chennai

Date: 29.07.2016

Annexure - 4
Details of Related Party Transactions
Form No. AOC-2

(Pursuant to clause (h) of Sub-section(3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
 - a) Name(s) of the related party and nature of relationship: NIL
 - b) Nature of contracts / arrangements / transactions : NIL
 - c) Duration of the contracts / arrangements / transactions: NIL
 - d) Salient terms of the contracts or arrangements or transactions including the value: NIL
 - e) Justification for entering into such contracts or arrangements or transactions : NIL
 - f) Date(s) of approval by the Board ; NIL
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : NIL
2. Details of material contracts or arrangements or transactions at arm's length basis:
 - a) Names of the related party and nature of relationship:
 - i) Pondicherry Agro Foods Pvt.Ltd.
 - ii) Saraf Housing Development Pvt.Ltd
 - iii) ECA Gases Private Limited
 - iv) Approach Marketing Pvt.Ltd (AMP)
 - v) G.N.Saraf, Managing Director
 - vi) Rajesh Kumar Saraf, Joint Managing Director
 - vii) Veena Devi Saraf, Director
 - viii) Relative of Key Management Personnel of the Company
 - b) Nature of transaction
 - i) Purchase of Goods from - ECA Gases Private Limited
 - ii) Interest paid to- Approach Marketing Pvt.Ltd and Saraf Housing Development Private Limited
 - iii) Rent paid
 - c) Duration of transaction : One time Transaction
 - d) Salient terms of the transaction including the value, if any:
 - i) Purchase of goods from ECA Gases Pvt.Ltd at market value for Rs. 8,90,000/-
 - ii) Interest paid to Saraf Housing Development Private Limited Rs. 33,31,338/-
 - iii) Interest paid to Approach Marketing Private Limited Rs. 65,33,058/-
 - iv) Unsecured Loan to Saraf Housing Development Pvt Rs. 3,77,48,286/-
 - v) Unsecured Loan to Approach Marketing Pvt Ltd. Rs. 9,92,09,147/-
 - vi) Trade Payable to ECA Gases Private Limited Rs. 21,23,001/-
 - vii) Rent paid Rs. 12,00,000/-
 - e) Date of approval by the Board, if any:
 - f) Amount paid as advance, if any : NIL

On behalf of the Board of Directors

Sd/-

G.N.Saraf
Chairman

Place: Chennai
 Date: 29.07.2016

ANNEXURE – 5
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:

CIN	L24111TN1974PLC006819
Registration Date	23.12.1974
Name of the Company	National Oxygen Limited
Category / Sub-Category of the Company	Public
Address of the Registered office and contact details	No.80 (Old No.141) Greams Road, Opp. Greams Road Post Office, Chennai, Tamilnadu-600006
Whether listed company Yes / No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited “Subramanian Building “ 1, Club House Road, Chennai-600 002 Ph:- 044-28460390- 6 Lines Fax:- 044- 28460129

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:-

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Industrial Gases (Oxygen and Nitrogen	2011	95.92

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	0	0	0	0	0
2	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture	0	0	0	0	0	0	0	0	0
Capital Funds									
i) Others (specify)	0	0	0	0	0	0	00	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	00	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	143212	2000	145212	3.02	137080	2000	139080	2.90	-0.13
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs 1 lakh	547592	354349	901941	18.78	548244	346385	894629	18.63	-0.15
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	907149	15320	922469	19.21	919223	15320	934543	19.46	0.25
c) Others (specify)									
(C-i) Clearing member	198	0	198	0.00	940	0	940	0.02	0.02
(C-ii) Trust									
(C-iii) Foreign Nationals	14345	1964	16309	0.34	16172	1965	18137	0.38	0.04
(C-iv) HUF	8501	0	8501	0.18	7001	0	7001	0.15	-0.03
(C-v) Non-Resident Indians	0	1710	1710	0.03	0	1710	1710	0.03	0
Others									
Sub-total (B)(2):-	1620997	375343	1996340	41.57	1628660	367380	1996040	41.57	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1620997	375343	1996340	41.57	1628660	367380	1996040	41.57	-0.006
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4426928	375343	4802271	100	4434591	367680	4802271	100	0

ii) Share Holding of Promoters

SL. 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 Shares	No of Shares	% of total shares of the company	%of Shares Pledged /encumbered to total	
1	Rajesh Kumar Saraf	484062	10.08	0	484062	10.08	0	0
2	Gajanand Saraf	365227	7.60	0	365227	7.60	0	0
3	Veena Devi Saraf	361871	7.53	0	361871	7.53	0	0
4	Sarita Saraf	286198	5.96	0	286198	5.96	0	0
5	Saraf Housing Development Pvt Limited	252885	5.26	0	252885	5.26	0	0
6	Gajanand Saraf-HUF	229555	4.78	0	229555	4.78	0	0
7	Gajanand Saraf-HUF	199326	4.15	0	199326	4.15	0	0
8	East Coast Acetylene Pvt.Ltd	184346	3.84	0	184346	3.84	0	0
9	Pondichery Agro Foods Pvt. Ltd.	161825	3.37	0	161825	3.37	0	0
10	Rajesh Kumar Saraf-HUF	134338	2.79	0	134338	2.79	0	0
11	Mamta Gupta	62784	1.30	0	62784	1.30	0	0
12	Banitha Agarwal	33600	0.70	0	33600	0.70	0	0
13	Saritha Devi Gupta	28014	0.58	0	28014	0.58	0	0
14	Savita Kainya	21000	0.44	0	21000	0.44	0	0
15	Arun Kumar Kainya Jt.1 Savita Kainya	900	0.02	0	900	0.02	0	0
16	Rajesh Kumar Saraf	0	0.00	0	300	0.00	0.	0
	Total	2805931	58.43	0	2806231	58.43	0	0

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

No Change during the financial year 2015-16

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	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
1	F I Dadabhoy-JT1-P F Dadabhoy At the beginning of the year 01.04.15 Purchase-10.04.2015 Purchase-24.04.2015 Purchase-31.12.2015 Purchase-01.01.2016 Purchase- 08.01.2016 At the end of the year-31.03.2016	155773 200 627 800 400 300 158100	3.243 0.004 0.013 0.016 0.008 0.006 3.292	155773 155973 156600 157400 157800 158100 158100	3.243 3.247 3.260 3.277 3.285 3.292 3.292
2	Manoharlal S At the Beginning of the year- 01.04.2015 Sale-19.02.2016 Purchase-31.03.2016 At the end of the year-31.03.2016	177189 -105397 105397 177189	3.690 -2.194 2.194 3.690	177189 71792 177189 177189	3.690 1.500 3.690 3.690
3	Saffiya Banu At the beginning of the year 01.04.20156 Sale-19.02.2016 Purchase-31.03.2016 At the end of the year-31.03.2016	95652 -95652 95652 95652	1.991 -1.991 1.991 1.991	95652 0 95652 95652	1.991 0 1.991 1.991
4	Sicgil India Limited At the beginning of the year 01.04.2015 At the end of the year- 31.03.2016	93000 93000	1.936 1.936	93000 93000	1.991 1.991

Sl. No.	For Each of the Top 10 Shareholders	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
5	Thakur Prasad				
	At the beginning of the year 01.04.2015	92665	1.929	92665	1.929
	Sale-19.02.2016	-92665	-1.929	0	0
	Purchase-31.03.2016	92665	1.929	92665	1.929
	At the end of the year- 31.03.2016	92665	1.929	92665	1.929
6	S S Sundaram				
	At the beginning of the year 01.04.2015	78276	1.629	78276	1.629
	Sale-19.02.2016	-78276	-1.629	0	0
	Purchase-31.03.2016	78276	1.629	78276	1.629
	At the end of the year- 31.03.2016	78276	1.629	78276	1.629
7	S. Dakshayani				
	At the beginning of the year 01.04.2015	82936	1.730	82936	1.730
	Sale-19.02.2016	-67616	-1.408	15320	0.319
	Purchase-31.03.2016	67616	1.408	82936	1.730
	At the end of the year- 31.03.2016	82936	1.730	82936	1.730
8	Abdul Rasheed				
	At the beginning of the year 01.04.2015	64596	1.345	64596	1.345
	Sale-19.02.2016	-64596	-1.345	0	0
	Purchase-31.03.2016	64596	1.345	64596	1.345
	At the end of the year- 31.03.2016	64596	1.345	64596	1.345
9	R F Dadabhoy				
	Jt.1-F L Dadabhoy				
	At the beginning of the year 01.04.2015	54000	1.124	54000	1.124
10	At the end of the year-31.03.2016	54000	1.124	54000	1.124
	N F Dadabhoy Jt. F L Dadabhoy				
	At the beginning of the year 01.04.2015	54000	1.124	54000	1.124
	At the end of the year- 31.03.2016	54000	1.124	54000	1.124

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	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
1.	Gajanand Saraf				
	At the beginning of the year-01.04.15	365227	7.60	365227	7.60
	At the end of the year-31.03.2016	365227	7.60	365227	7.60
	Gajanand Saraf – HUF				
	At the beginning of the year-01.04.15	229555	4.78	229555	4.78
	At the end of the year-31.03.2016	229555	4.78	229555	4.78
	Gajanand Saraf – HUF				
	At the beginning of the year-01.04.15	199326	4.15	199326	4.15
	At the end of the Year-31.03.2016	199326	4.15	199326	4.15
2.	Rajesh Kumar Saraf				
	At the beginning of the year-01.04.15	484062	10.07	484062	10.07
	At the end of they year-31.03.2016	484062	10.07	484062	10.07
	Rajesh Kumar Saraf-HUF				
	At the beginning of the year-01.04.15	134338	2.79	134338	2.79
	At the end of the year-31.03.2016	134338	2.79	134338	2.79
	Rajesh Kumar Saraf				
	At the beginning of the year-01.04.15	300	0.006	300	0.006
	At the end of the year-31.03.2016	300	0.006	300	0.006
3.	Veena Devi Saraf				
	At the beginning of the year-01.04.15	361871	7.53	361871	7.53
	At the end of the year-31.03.2016	361871	7.53	361871	7.53
4.	P.Siva	960	0.02	960	0.02
5.	Anil Kumar Seth	0	0	0	0
6.	Devmoohan Mohunta	0	0	0	0

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				
i. Principal Amount	327306425	105994577	0	433301002
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)	327306425	105994577	0	433301002
Change in Indebtedness during the financial year				
· Addition	19726114	30962856	0	50688970
· Reduction				
Net Change	19726114		0	50688970
Indebtedness at the end of the financial year				
i) Principal Amount	347032539	136957433	0	483989972
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	347032539	136957433	0	483989972

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
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Mr.Gajanand Saraf - MD Mr. Rajesh Kumar Saraf- JMD Provident Fund Contribution Mr. Gajanand Saraf- MD Mr. Rajesh Kumar Saraf-JMD Other perquisites Mr.Gajanand Saraf – MD Mr. Rajesh Kumar Saraf- JMD	30,00,000 30,00,000 3,60,000 3,60,000 5,97,295 5,03,861
2	Stock Option		Nil
3	Sweat Equity		Nil
4	Commission as % of profit - others, specify...		Nil
5	Others, please specify		Nil
	Total (A)		78,21,156
	Ceiling as per the Act		79,20,000

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of Directors	Total Amount
1	3. Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	Sitting fees P.Siva Anil Kumar Seth Devmohan Mohunta	13750/- 7000/- 7000/-
	Total (1)		27750/-
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	Sitting fees Smt. Veena Deve Saraf	10750/-
	Total (2)		10750/-
	Total (B)=(1+2)		38500/-
	Total Managerial Remuneration		78,59,656
	Overall Ceiling as per the Act		79,20,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl.No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary		Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		Nil	Nil	Nil
2	Stock Option		Nil	Nil	Nil
3	Sweat Equity		Nil	Nil	Nil
4	Commission - as % of profit - others, specify...		Nil	Nil	Nil
5	Others, please specify		Nil	Nil	Nil
	Total (A)		Nil	Nil	Nil

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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
	B. DIRECTORS				
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
	C. OTHER OFFICERS IN DEFAULT				
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Place: Chennai
Date: 29.07.2016

Sd/-
G.N.Saraf
Chairman

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

1. Report on the Standalone Financial Statements :

We have audited the accompanying standalone financial statements of **NATIONAL OXYGEN LIMITED** as at 31st March 2016, which comprise the Balance Sheet as at 31st March 2016 and the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone 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 standalone 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

3. 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 opinion on the standalone financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013, 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, 2016 , and its Loss and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements :

As required by the Companies (Auditor's Report) Order ,2016 ('the Order '),issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further, 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 B" .
- (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 No. 33 A to the financial statements;
 - ii) There is no material foreseeable losses which the company needs to provide, as required under the applicable law or accounting standards, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

Sd/-
(SUDESH CHORARIA)
Partner
Membership No. 204936

Place: Chennai
Date : 28th May 2016.

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in our Report of even date on the financial statements of NATIONAL OXYGEN LIMITED
as at and for the year ended 31st March 2016)

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b) The Fixed Assets of the Company have been physically verified by the management, wherever possible, at the close of the year as confirmed by the management. As informed to us, no material discrepancy has come to notice on such physical verification;
- c) According to the information and explanations given by the management, the title deeds of immovable properties included in Fixed Assets are held in the name of the company.
- ii) The management has conducted Physical verification of Inventories, wherever possible, at all its locations at reasonable intervals during the year and as far as we can ascertain and according to the information and the explanations given to us, the discrepancies noticed between the physical stocks and book stocks were not material and the same have been properly dealt with in the books of account.
- iii) As per the information and explanations provided to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 and hence the requirements of sub clauses (a) and (b) of clause (iii) of the Order are not applicable.
- iv) As per the information and explanations provided to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security provided by the company.;
- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits to which the directives of the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply;
- vi) The Company is not covered under the criteria prescribed for maintenance of Cost records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013, hence clause 3 (vi) of the Order is not applicable to the company .

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT (Contd..)

- vii) a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, cess and other material statutory dues with the appropriate authorities. Further, according to the information and explanations given to us and the books and records examined by us, there was no undisputed amount outstanding as on 31st March 2016 in respect of the above statutory dues for a period of more than six months from the date they became payable;
- b) According to the records of the company, the dues outstanding (net of Advances) in respect of Income tax ,Sales Tax, Wealth Tax, Service Tax , Duty of Customs, Duty of Excise, Value added tax, or Cess on account of any dispute as on 31st March 2016 , are as follows :

Name of the Statute	Nature of Dues	Amount Rs in Lacs	Period to which the amount relates	Forum where dispute pending
Central Excise Act, 1944	Excise duty demanded on the facility charges being charged	1.06	Sept’2000 to Aug’2001	CESTAT, Southern Bench
Central Excise Act, 1944	Departmental appeal against the partial favourable order passed by Commissioner (Appeals) for Excise duty demanded on the rental / facility charges being charged	4.91	Sept’2000 to Aug’2001	CESTAT, Southern Bench
Central Excise Act, 1944	Cenvat credit availed on Cryogenic Tank being disputed	5.23	Mar’2005 to Nov’2005	CESTAT, Southern Bench
Central Excise Act, 1944	Departmental appeal against the favourable order passed by CESTAT in respect of 8% duty demanded on supply to ISRO under Nil rate of duty while availing Cenvat Credit	5.71	2000-01	Madras High Court
Central Excise Act, 1944	Excise duty demanded on the Cylinder Repair charges being charged	0.20	Sept’2006 to Mar’2007	CESTAT, Southern Bench
Central Excise Act, 1944	Excise duty demanded on the Cylinder Holding / facility charges being charged	1.67	May’2006 to Aug’2006	CESTAT, Southern Bench
Service Tax	Service Tax demanded on the Lease charge income received	11.32	2002-03 & 2003-04	CESTAT, Southern Bench
Service Tax	Service Tax demanded on the Lease charge income received	6.95	2004-05 & 2005-06	CESTAT, Southern Bench
Customs Act, 1961	Differential Customs Duty on Import of Second hand Plant (including Interest & Penalty)	88.23	1994-95	CESTAT, Southern Bench

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

Name of the Statute	Nature of Dues	Amount Rs in Lacs	Period to which the amount relates	Forum where dispute pending
Service Tax	Service Tax on GTA claimed by the Deptt. which is contested by the company	15.45	Apr'2008 to Mar'2012	Commissioner (Appeals)
Service Tax	Service Tax on GTA claimed by the Deptt. which is contested by the company	3.86	Apr'2012 to Mar'2013	CESTAT, Southern Bench
Service Tax	Service Tax on GTA claimed by the Deptt. which is contested by the company	5.44	Apr'2013 to Mar'2014	Commissioner (Appeals)

- viii) Based on our audit procedures, and as per the information and explanations given to us by the management, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders, though there have been delays in repayment in certain cases.
- ix) According to the information and explanations given to us by the management, the term loans availed by the company have been applied for the purpose for which they were raised. Further, no money was raised by the company during the year by way of Initial public offer or further public offer;
- x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit;
- xi) According to the information and explanations given to us by the management, the managerial remuneration has been paid / provided by the company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013;
- xii) The company is not a Nidhi company, hence clause 3 (xii) of the Order is not applicable to the company;
- xiii) According to the information and explanations provided to us and as confirmed by the management, the transactions entered into with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements in accordance with the applicable accounting standards;
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- xv) According to the information and explanations provided to us and as confirmed by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year under review;
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;

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

Sd/-
(SUDESH CHORARIA)
Partner
Membership No. 204936

Place: Chennai
Date : 28th May 2016.

BALANCE SHEET AS AT 31ST MARCH 2016

	Note No.	As at 31-03-2016 Rs.	As at 31-03-2015 Rs.
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	'2'	48,022,710	48,022,710
Reserves and Surplus	'3'	(43,497,145)	13,350,584
		4,525,565	61,373,294
Non-Current Liabilities			
Long-term Borrowings	'4'	373,691,524	302,862,211
Deferred Tax Liabilities (Net)	'5'	-	11,947,000
Other Long-term Liabilities	'6'	10,676,220	11,490,221
Long-term Provisions	'7'	3,385,076	3,424,108
		387,752,820	329,723,540
Current Liabilities			
Short-term Borrowings	'8'	59,163,448	73,169,998
Trade Payables	'9'	-	-
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than to micro and small enterprises		36,916,763	31,807,307
Other Current Liabilities	'10'	68,724,849	76,120,694
Short-term Provisions	'11'	1,370,397	1,308,921
		166,175,457	182,406,920
		558,453,842	573,503,754
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12'	448,731,624	487,592,445
Intangible Assets	'13'	23,518	120,164
Capital Work-in-Progress	'14'	-	-
Non-Current Investments	'15'	1,622,904	5,607,019
Long-term Loans and Advances	'16'	23,289,126	12,695,911
		473,667,172	506,015,539
Current Assets			
Inventories	17'	6,552,116	5,556,762
Trade Receivables	'18'	60,439,790	35,952,779
Cash and Bank Balances	'19'	7,969,448	7,889,918
Short-term Loans and Advances	'20'	6,972,454	15,090,926
Other Current Assets	'21'	2,852,862	2,997,830
		84,786,670	67,488,215
		558,453,842	573,503,754
Significant Accounting Policies	'1'		

The accompanying notes are an integral part of the financial statements

As per our report annexed.,

For SINGHI & CO.,

Chartered Accountants

Firm Regn. No. 302049E

(SUDESH CHORARIA)

Partner

Membership No. 204936

Place : Chennai

Date : 28th May 2016

For and on behalf of the Board

Sd/-

G.N. SARAF

Chairman & Managing Director
for NATIONAL OXYGEN LTD

Sd/-

RAJESH KUMAR SARAF

Joint Managing Director

Statement of Profit and Loss for the year ended 31st March, 2016

	Note No.	For the year ended 31-03-2016 Rs.	For the year ended 31-03-2015 Rs.
REVENUES			
Gross Revenue from Operations	22'	363,902,689	308,124,323
Less: Excise Duty		31,178,225	26,795,678
Net Revenue from Operations		332,724,464	281,328,645
Other Income	23'	2,594,110	1,688,946
Total Revenues		335,318,574	283,017,591
EXPENSES			
Purchases of Stock-in-Trade		-	-
Cost of Materials Consumed	24'	13,622,995	8,649,847
Changes in Inventories	'25'	(592,636)	66,335
Employee Benefits Expenses	'26'	28,399,557	29,089,701
Power and Fuel	'27'	214,443,668	206,862,664
Finance Costs	'28'	60,990,821	54,261,986
Depreciation and Amortization	'29'	39,435,160	41,731,501
Other Expenses	'30'	47,813,738	51,784,472
Total Expenses		404,113,303	392,446,505
Profit/ (Loss) before Tax		(68,794,729)	(109,428,914)
Tax Expenses:	31'		
Current Tax (Including for earlier years)		-	-
Deferred Tax		(11,947,000)	(1,128,132)
Profit/ (Loss) for the year		(56,847,729)	(108,300,783)\
Earnings per Equity Share:			
Basic (')		(11.84)	(22.55)
Diluted (')		(11.84)	(22.55)

The accompanying notes are an integral part of the financial statements

As per our report annexed.,
For SINGHI & CO.,
Chartered Accountants
Firm Regn. No. 302049E
(SUDESH CHORARIA)
Partner
Membership No. 204936

Place : Chennai
Date : 28th May 2016

For and on behalf of the Board

Sd/-
G.N. SARAF
Chairman & Managing Director
for NATIONAL OXYGEN LTD
Sd/-
RAJESH KUMAR SARAF
Joint Managing Director

NOTES TO THE FINANCIAL STATEMENTS

Nature of Operations:

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

Basis of Preparation :

The financial statements have been prepared to comply in all material respects with the accounting principles generally accepted in India, including mandatory Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof under the historical cost convention and on an accrual basis. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in the previous year .

All Assets and Liabilities have been classified as current or non current as per the company's normal operating cycle and other criteria specified in Schedule III to the Companies Act, 2013. The company has presently determined 12 months as the normal Operating cycle for the purpose of classification of current and non current Assets and Liabilities.

1. Significant Accounting Policies

- A RECOGNITION OF INCOME & EXPENDITURE:** The company follows the Mercantile system of accounting and recognizes Income and Expenditure on accrual basis, except those with significant uncertainties.
- B FIXED ASSETS:**
- a) Fixed Assets are stated at cost net of Cenvat & Value added tax, depreciation and impairment. Cost of acquisition includes duties, taxes, incidental expenses, erection / commissioning expenses and interest etc. upto the date the asset is ready for its intended use.
 - b) The Carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital. Based on the review, the management concluded that there was no indication of any impairment as at the Balance Sheet date.
- C DEPRECIATION:**
- a) The company computes depreciation with reference to the useful life / revised remaining useful life of the assets as specified by and in the manner prescribed in Schedule II of the Companies Act 2013 under Straight Line Method. On Additions / sales the depreciation is prorated to the month of Addition / Sale.
 - b) Lease hold Land is amortized over the lease period.
 - c) In case of Impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- D INVESTMENTS:**
- a) Quoted / Unquoted Long term Investments are stated at cost unless there is a decline, other than temporary, in the value thereof, which is duly provided for in the Accounts.
 - b) Current quoted investments are stated at lower of cost or market value on individual investment basis.

E INVENTORIES:

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

F FOREIGN CURRENCY TRANSACTIONS:

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

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

G EMPLOYEE BENEFITS:

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

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

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

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

K PROVISIONS:

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

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

2. Share Capital:

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

(In Rupees)

As at		
	31-03-2016 Rs.	31-03-2015 Rs.
Authorized: 50,00,000' (Previous year '50,00,000') Equity Shares of Rs.10/- each.	50,000,000	50,000,000
Issued: 48,02,271' (Previous year '48,02,271') Equity Shares of Rs.10/- each - (a)	48,022,710	48,022,710
Subscribed : 48,02,271' (Previous year '48,02,271') Equity Shares of Rs.10/- each fully paid-up	48,022,710	48,022,710
Paid-up: 48,02,271' (Previous year '48,02,271') Equity Shares of Rs.10/- each fully paid-up	48,022,710	48,022,710
	48,022,710	48,022,710

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

	2015-16		2014-15	
	Nos.	Rs.	Nos.	Rs.
Equity Shares outstanding at the beginning of the year	4,802,271	48,022,710	4,802,271	48,022,710
Add: Shares allotted during the year	-	-	-	-
Less: Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	4,802,271	48,022,710	4,802,271	48,022,710

- C. The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting.
- D. The Board of Directors of the Company have not recommended any dividend for the year ended 31st March, 2016 and for the corresponding previous year.

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

Name of shareholder	As at 31-03-2016		As at 31-03-2015	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
1 Rajesh Kumar Saraf	618,400	12.88%	618,400	12.88%
2 Gajanand Saraf	794,108	16.54%	794,108	16.54%
3 Sarita Saraf	286,198	5.96%	286,198	5.96%
4 Veena Devi Saraf	361,871	7.54%	361,871	7.54%
5 Saraf Housing Development Pvt.Ltd.	252,885	5.27%	252,885	5.27%
Total	2,313,462	48.19%	2,313,462	48.19%

	As at	
	31-03-2016	31-03-2015
	Rs.	Rs.
3. Reserves and Surplus:		
i) Capital Reserve	4,000,000	4,000,000
ii) Securities Premium Account :		
Balance at the beginning of the year	77,838,890	77,838,890
Add: Received during the year	-	-
	77,838,890	77,838,890
iii) General Reserve		
Opening Balance	61,786,924	67,588,248
Add: Created during the year	-	-
Less: Transitional adjustment of Depreciation on First time implementation of Schedule -II of Companies Act 2013	-	5,801,324
	61,786,924	61,786,924
	143,625,814	143,625,814
iv) Surplus i.e. balance in Statement of Profit and Loss-(b)	(187,122,959)	(130,275,230)
	43,497,145	13,350,584

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

	As at 31-03-2014	Additions	Deductions	As at 31-03-2015	Additions	Deductions	As at 31-03-2016
Capital Reserve	4,000,000	-	-	4,000,000	-	-	4,000,000
Securities Premium Account	77,838,890	-	-	77,838,890	-	-	77,838,890
General Reserve	67,588,248	-	5,801,324	61,786,924	-	-	61,786,924
	149,427,138	-	5,801,324	143,625,814	-	-	143,625,814

Notes to the Financial Statements (Contd..)

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

	As at	
	31-03-2016 Rs.	31-03-2015 Rs.
Opening Balance	(130,275,230)	(21,974,447)
Add: Profit / (Loss) for the year	(56,847,729)	(108,300,783)
	<u>(187,122,959)</u>	<u>(130,275,230)</u>
Less: Proposed Dividend on Equity Shares (including Dividend Distribution Tax)	-	-
Less: Transfer to General Reserve	-	-
Closing Balance	<u>(187,122,959)</u>	<u>(130,275,230)</u>

4 Long-term Borrowings :**Secured**

Term Loans:

From Banks

Less Current Portion disclosed under current liabilities

Overdraft from Bank against Tangible
Collateral Security (OD TCS)**Unsecured**

Inter Corporate Deposits

158,479,785	199,536,427
51,135,000	57,268,793
<u>107,344,785</u>	<u>142,267,634</u>
129,389,306	54,600,000
<u>129,389,306</u>	<u>54,600,000</u>
236,734,091	196,867,634
136,957,433	105,994,577
<u>136,957,433</u>	<u>105,994,577</u>
373,691,524	302,862,211

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

Term Loans and Overdraft from Bank against Tangible Collateral Security (OD TCS) are Secured by Equitable Mortgage of Leasehold Land & Building and hypothecation of the assets acquired for the new Project and further secured by way of first charge on the block of other movable Assets and future receivables of the company, present and future, and guaranteed by the Managing and Joint Managing Director of the Company

The Term Loan is repayable in monthly instalments of Rs.34.09 Lacs each upto Sept. 2019 and the present rate of interest is 14.35%

5 Deferred Tax Liabilities (Net) :

Major components of Deferred Tax arising on account of temporary timing differences are given below:

Deferred Tax Liabilities

Depreciation and Amortization Expenses

Other Timing Differences

Deferred Tax Assets

Expenses/ Provisions Allowable

Carry forward Losses (to the extent of
unabsorbed depreciation)

Other Timing Differences

Deferred Tax Liabilities/ (Asset) (Net) ()**

65,337,000	65,277,000
-	-
<u>65,337,000</u>	<u>65,277,000</u>
1,108,000	1,108,000
<u>64,229,000</u>	<u>52,222,000</u>
65,337,000	53,330,000
<u>-</u>	<u>11,947,000</u>

(**) As a matter of Prudence, deferred tax asset has not been recognized in the Accounts

Notes to the Financial Statements (Contd..)

		As at	
		31-03-2016 Rs.	31-03-2015 Rs.
6	Other Long-term Liabilities		
	Trade Payables	-	-
	Trade Deposits / Retention Money received	10,676,220	11,490,221
		10,676,220	11,490,221
7	Long-term Provisions		
	Provision for Employee Benefits	3,385,076	3,424,108
	Other Provisions	-	-
		3,385,076	3,424,108
8	Short-term Borrowings :		
	Secured		
	Loans repayable on demand (a)		
	From Banks	54,506,904	69,030,783
	Loans against Fixed Deposits	4,656,544	4,139,215
		59,163,448	73,169,998
(a). Nature of security for secured borrowings are given below:			
i) Cash Credit Loan from Bank is secured by hypothecation of Finished Goods, Raw Materials, Work in Process, Stores & Spares and Book Debts of the Company and second charge on Fixed Assets of the Company and guaranteed by the Managing and Joint Managing Director of the Company			
ii) Loan against Fixed Deposits are secured by way of Lien on the respective Fixed Deposits			
9	Trade Payables :		
	- Total outstanding dues of micro and small enterprises		
	- Total outstanding dues of creditors other than to micro and small enterprises	36,916,763	31,807,307
		36,916,763	31,807,307
10	Other Current Liabilities :		
	Current maturities of long-term borrowings	51,135,000	57,268,793
	Unpaid Dividend	477,007	724,797
	Customers' Credit Balances and Advances against orders	1,060,004	134,605
	Statutory dues Payables	6,534,558	3,821,566
	Other Liabilities	9,518,280	11,381,953
	Temporary Book overdraft from a Bank	-	2,788,980
		68,724,849	76,120,694
11	Short-term Provisions :		
	Employee Benefits	1,370,397	1,308,921
		1,370,397	1,308,921

Notes to the Financial Statements (Contd..)

12 Tangible Assets

A. Summary of cost and net carrying amount of each class of tangible assets are given below:

Rs.

Asset description	Original Cost		Accumulated Depreciation		Accumulated Impairment		Net Carrying Amount	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Leasehold Land	12,037,345	12,037,345	2,903,682	2,306,203	-	-	9,133,663	9,731,142
Freehold Land	2,613,022	2,613,022	-	-	-	-	2,613,022	2,613,022
Buildings	84,343,278	84,343,278	18,388,218	15,291,483	-	-	65,955,060	69,051,795
Plant and Equipment	649,608,849	649,451,204	282,024,776	248,341,975	-	-	367,584,073	401,109,229
Furniture and Fixtures	1,609,849	1,600,099	1,208,489	1,113,915	-	-	401,360	486,184
Vehicles	8,209,876	8,209,876	6,613,149	6,377,034	-	-	1,596,727	1,832,842
Office Equipment	11,117,395	11,070,009	9,669,677	8,301,779	-	-	1,447,718	2,768,230
	769,539,615	769,324,834	320,807,991	281,732,389	-	-	448,731,624	487,592,445

Notes to the Financial Statements (Contd..)

(a) Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31-03-2016 are as under:

Original Cost

Rs.

Asset Description	As at 31-03-2015	Additions	Disposals	Other Adjustments	As at 31-03-2016
Leasehold Land	12,037,345	-	-	-	12,037,345
Freehold Land	2,613,022	-	-	-	2,613,022
Buildings	84,343,278	-	-	-	84,343,278
Plant and Equipment	649,451,204	420,557	262,912	-	649,608,849
Furniture and Fixtures	1,600,099	9,750	-	-	1,609,849
Vehicles	8,209,876	-	-	-	8,209,876
Office Equipment	11,070,009	47,386	-	-	11,117,395
	769,324,834	477,693	262,912	-	769,539,615
Previous Year	758,741,313	13,416,237	2,832,716	-	769,324,834

Accumulated Depreciation

Asset Description	As at 31-3-2015	Additions	Adjusted against Retained earnings	Deductions/ Other Adjst.	As at 31-03-2016
Leasehold Land	2,306,203	597,479	—	—	2,903,682
Freehold Land	—	—	—	—	—
Buildings	15,291,483	3,096,735	—	—	18,388,218
Plant and Equipment	248,341,975	33,945,713	—	262,912	282,024,776
Furniture and Fixtures	1,113,915	94,574	—	—	1,208,489
Vehicles	6,377,034	236,115	—	—	6,613,149
Office Equipment	8,301,779	1,367,898	—	—	9,669,677
	281,732,389	39,338,514	—	262,912	320,807,991
Previous Year	234,501,421	40,635,442	7,850,473	1,254,947	281,732,388

Notes to the Financial Statements (Contd..)

13 Intangible Assets

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

Rs.

Asset Description	Original Cost		Accumulated Amortization		Accumulated Impairment		Net Carrying Amount	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Computer Software	3,364,195	3,364,195	3,340,677	3,244,031	—	—	23,518	120,164
	3,364,195	3,364,195	3,340,677	3,244,031	—	—	23,518	120,164

- (a) Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31-03-2016 are as under:

Original Cost

Rs.

Asset Description	As at 31-03-2015	Additions	Disposals	Other Adjustments	As at 3/31/2016
Computer Software	3,364,195	—	—	—	3,364,195
	3,364,195	—	—	—	3,364,195
Previous Year	3,299,063	65,132	—	—	3,364,195

Accumulated Amortization

Asset Description	As at 3/31/2015	Additions	Adjusted against Retained earnings	Deductions/ Other Adjst	As at 31-03-2016
Computer Software	3,244,031	96,646	—	—	3,340,677
	3,244,031	96,646	—	—	3,340,677
Previous Year	1,410,253	1,096,059	737,719	—	3,244,031

Note to the Financial Statements (Contd..)**14 Capital Work-in-Progress**

	As at	
	31-03-2016 Rs.	31-03-2015 Rs.
Construction Work-in-Progress	—	—
Expenditure during Construction pending allocation	—	—
	<u>—</u>	<u>—</u>

15 Non-Current Investments

	Face value per Unit	31-03-2016 Nos.	31/03/2015 Nos.	Rs.	Rs.
Investments - Other than Trade					
i. Investments in Equity Instruments					
Unquoted:					
Pondicherry Agro Foods Pvt Ltd	Rs.10	9,000	9,000	90,000	90,000
Beta Wind Farm Pvt Ltd	Rs.10	77,916	168421	1,480,404	3,199,999
Clarion Wind Farm Pvt Ltd	Rs.10	-	231152	-	2,311,520
TCP Limited	Rs. 100	470	-	47,000	--
				<u>1,617,404</u>	<u>5,601,519</u>

ii. Investments in Government Securities**Unquoted:**

National Savings Certificate	5,000	5,000
Indira Vikas Patra	500	500

<u>5,500</u>	<u>5,500</u>
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<u>1,622,904</u>	<u>5,607,019</u>
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Aggregate amount of Unquoted Investments

1,622,904	5,607,019
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16 Long-term Loans and Advances:

Unsecured, Considered Good

Capital Advances	—	—
Security Deposits	23,289,126	12,595,911
Other loans and advances	—	—
	<u>23,289,126</u>	<u>12,595,911</u>

Notes to the Financial Statements (Contd..)

		As at	
		31-03-2016 Rs.	31-03-2015 Rs.
17 Inventories:			
Raw Materials		1,437,061	990,427
(Stock in Transit Rs. Nil)			
Finished Goods		4,158,625	3,491,910
Stores and Spares		956,430	1,074,425
		6,552,116	5,556,762
18 Trade Receivables:			
Outstanding for a period exceeding six months (from the due date)			
Unsecured, Considered Good		8,238,487	5,274,802
Outstanding for a period less than six months			
Unsecured, Considered Good		52,201,303	30,677,977
		60,439,790	35,952,779
19 Cash and Bank Balances:			
Cash and Cash Equivalents			
Balance with Banks:			
Deposits with less than 3 months initial maturity		--	--
Current Accounts		170,323	125,698
Cash on hand		187,186	136,066
		357,508	261,764
Other Balances			
Balance with Banks:			
Unpaid Dividend Accounts		477,007	724,797
Margin Money Deposit Accounts		7,134,933	6,903,357
Deposits maturing within 12 months		--	--
		7,611,940	7,628,154
		7,969,448	7,889,918
20 Short-term Loans and Advances			
Security Deposits			
Unsecured, Considered Good		3,427,838	3,037,822
Other loans and advances			
Unsecured, Considered Good (a)		3,109,889	11,793,963
Advance Income Tax & TDS (net of provision)		434,727	259,141
		6,972,454	15,090,926

(a) Other loans and advances mainly include prepaid expenses, advances to suppliers and service providers, advance and loans to employees, CENVAT/ VAT/ Service Tax credit receivable, etc.

Note to the Financial Statements (Contd..)

		As at	
		31-03-2016 Rs.	31-03-2015 Rs.
21 Other Current Assets			
Interest Accrued on Deposits		2,852,862	2,997,830
Other Receivables		—	—
		2,852,862	2,997,830
22 Revenue from Operations:			
a) Sale of Products			
Sale of Industrial Gases (**)		345,251,938	288,505,254
Sale of Wind Energy		14,401,939	14,757,494
Sales of other products		277,900	460,691
		359,931,777	303,723,438
Less: Excise Duty		31,178,225	26,795,678
		328,753,552	276,927,760
(**) Includes Inter Plant Transfers Rs. 1341956			
b) Facility Charges/ Cylinder holding charges etc		3,01,253	3,957,408
c) Other Operating Revenues			
Liabilities/ Provisions no longer required written back		581,739	156,278
Miscellaneous Receipts and Claims		371,920	287,199
Net Revenue from Operations		332,724,464	281,328,645
23 Other Income:			
Interest Income			
On Long-term Investments		-	-
On Deposits etc (a)		2,220,960	1,631,627
Gain/ (Loss) on foreign currency transactions and translation (Net)		-	57,319
Profit/ (Loss) on Fixed Assets sold/ discarded (Net)		373,150	-
		2,594,110	1,688,946
(a). Interest Income is gross of tax deducted at source amounting to Rs. 2,39,617 (Previous year Rs.1,60,556)			

Notes to the Financial Statements (Contd..)

		As at	
		31-03-2016 Rs.	31-03-2015 Rs.
24 Cost of Materials Consumed:			
Opening Stock	990,427	2,561,325	
Add: Purchases (**)	14,069,629	7,078,949	
	15,060,056	9,640,274	
Less: Closing Stock	1,437,061	990,427	
	13,622,995	8,649,847	
(**) Includes Inter Plant Transfers Rs.1341956			
Details of Raw Materials Consumed			
Calcium Carbide	5,077,187	7,508,169	
Others	8,545,808	1,141,678	
25 Changes in Inventories:			
Opening Inventories			
Finished Goods	3,491,910	3,562,098	
Stock-in-Trade	-	-	
	3,491,910	3,562,098	
Less: Closing Inventories			
Finished Goods	4,158,625	3,491,910	
Stock-in-Trade	-	-	
	4,158,625	3,491,910	
	(666,715)	70,188	
Add: Increase/ Decrease of Excise Duty on Inventories	74,079	(3,853)	
	(592,636)	66,335	
26 Employee Benefits Expenses:			
Salaries and Wages	24,691,293	24,988,721	
Contribution to Provident and other Funds	2,103,228	2,585,529	
Employees Welfare Expenses	1,605,036	1,515,451	
	28,399,557	29,089,701	
Less: Transfer to Capital Work-in-Progress	-	-	
	28,399,557	29,089,701	
27 Power and Fuel:			
Power and Fuel	214,443,668	206,862,664	
Less: Transfer to Capital Work-in-Progress	-	-	
	214,443,668	206,862,664	
28 Finance Costs:			
Interest Expenses	58,484,021	53,142,009	
Other Borrowing Costs	2,506,800	1,119,977	
	60,990,821	54,261,986	
Less: Transfer to Capital Work-in-Progress	-	-	
	60,990,821	54,261,986	
29 Depreciation and Amortization Expenses:			
Depreciation	39,338,514	40,635,442	
Amortization Expenses	96,646	1,096,059	
	39,435,160	41,731,501	

Notes to the Financial Statements (Contd..)

		As at	
		31-03-2016	31-03-2015
		Rs.	Rs.
30 Other Expenses:			
Consumption of Stores and Spares		5,450,233	9,610,015
Repairs to Buildings		1,916,518	1,741,921
Repairs to Machinery		5,698,962	7,345,014
Rates and Taxes		783,838	529,601
Rent		1,201,000	1,213,500
Insurance		468,376	505,204
Auditors' Remuneration - (a)		148,850	142,135
Travelling & Conveyance Expenses		931,706	1,583,687
Freight and Forwarding Expenses (Net)		17,829,437	17,101,034
Directors' Remuneration		6,000,000	6,000,000
Directors' Sitting Fees		38,500	31,750
Loss/ (Profit) on Fixed Assets sold / discarded (Net)		-	565,269
Miscellaneous Expenses		7,346,319	5,415,340
		<u>47,813,738</u>	<u>51,784,472</u>
Less: Transfer to Capital Work-in-Progress		<u>-</u>	<u>-</u>
		<u>47,813,738</u>	<u>51,784,472</u>
(a). Details of Auditors' Remuneration are as follows:			
Statutory Auditors:			
Audit Fees		97,325	95,506
Taxation matters		34,350	33,708
Others		17,175	12,921
		<u>148,850</u>	<u>142,135</u>
31 Tax Expenses			
Current Tax			
Current Tax for the year		-	-
Current Tax adjustments for earlier years (Net)		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
Deferred Tax			
Deferred Tax for the year		(11,947,000)	(3,915,000)
Deferred Tax adjustments for earlier years (Net)		<u>-</u>	<u>2,786,868</u>
		<u>(11,947,000)</u>	<u>(1,128,132)</u>

Notes to the Financial Statements (Contd..)**32** Disclosure required by Accounting Standard (AS) 15 (Revised) on "Employee Benefits":

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

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

	Year ended	
	31-03-2016	31-03-2015
	(Rs. in Lacs)	
(a). Change in Defined Benefit Obligations:		
Present value of Defined Benefit Obligations at the beginning of the year	47.33	46.67
Current Service Cost	3.00	3.06
Interest Cost	3.55	4.19
Actuarial Loss / (Gain)	(0.35)	(6.59)
Benefits Paid	(5.98)	-
Present value of Defined Benefit Obligations at year end	<u>47.55</u>	<u>47.33</u>
(b). Change in Fair value of Plan Assets:		
Fair value of Plan Assets at the beginning of the year	-	-
Actuarial Gain/ (Loss)	-	-
Contributions	5.98	-
Benefits Paid	(5.98)	-
Fair value of Plan Assets at the year end	<u>-</u>	<u>-</u>
(c). Amount recognised in Balance Sheet:		
Fair value of Plan Assets at the year end	-	-
Present value of Defined Benefit Obligations at year end	47.55	47.33
Amount recognised in Balance Sheet at year end	<u>(47.55)</u>	<u>(47.33)</u>
(d). Expenses recognised in Statement of Profit and Loss:		
Current Service Cost	3.00	3.06
Interest Cost	3.55	4.19
Actuarial Loss / (Gain)	(0.35)	(6.59)
Expenses recognised in Statement of Profit and Loss during the year	<u>6.20</u>	<u>0.66</u>

	Year ended	
	31-03-2016	31-03-2015
	(Rs. in Lacs)	
(e). Investments details of Plan Assets:		
Government Securities	—	—
(f). Principal Actuarial Assumptions:		
Discount rate	8.00%	9.00%
Salary increase	5.00%	5.00%

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

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

	As at Year ended	
	31-03-2016	31-03-2015
33 Contingent Liabilities and Commitments		
A. Contingent Liabilities		
(a) Claims against the company not acknowledged as debt:		
Excise Duty / Service Tax	6,501,633	5,831,781
Customs Duty	8,823,578	8,823,578
(b). Outstanding Letters of Credit and Bank Guarantees	19,762,746	26,393,246
B. Capital Commitments		
(a). Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

34 Segment Reporting

A. Primary Segment Reporting (by Business Segment):

- (a) Segments have been identified in line with the Accounting standard on Segment Reporting (AS-17), taking into account the organisational

Industrial Gases - Manufacture of Industrial Gases

Windmill - Generation of Windmill energy.

(b) The details of the revenue, results, assets, liabilities and other information from operations by reportable business segments are follows:

	Year ended 31-03-2016			Year ended 31-03-2015		
	Industrial Gases	Wind Mill	Total	Industrial Gases	Wind Mill	Total
REVENUE						
External	317,368,866	14,401,939	331,770,805	266,127,674	14,757,494	280,885,168
Inter Segment	–	–	–	–	–	–
Total	317,368,866	14,401,939	331,770,805	266,127,674	14,757,494	280,885,168
RESULTS						
Segment Results	(19,296,981)	9,086,313	(10,210,668)	(65,768,096)	9,708,694	(56,059,402)
Unallocated Corporate Income			(2,594,110)			(1,631,627)
Unallocated Corporate Expenses			187,350			739,154
Finance Costs			60,990,821			54,261,986
Tax Expenses (Net)			(11,947,000)			(1,128,132)
Profit / Loss for the period			(56,847,729)			(108,300,783)
OTHER INFORMATION						
Assets:						
Segment Assets	538,321,051	19,125,557	557,446,608	555,888,487	16,535,828	572,424,316
Unallocated Corporate Assets			1,007,234			1,079,438
Total Assets			558,453,842			573,503,754
Liabilities:						
Segment Liabilities	203,376,169	-	203,376,169	194,077,954	-	194,077,954
Unallocated Corporate Liabilities			355,077,673			379,425,799
Total Liabilities			558,453,842			573,503,754
Capital Expenditure	477,693	-	477,693	13,481,369	-	13,481,369
Depreciation and Amortization	37,282,879	2,152,281	39,435,160	39,579,220	2,152,281	41,731,501
Other Non-Cash Expenses	–	–	–	–	–	–

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

		Year ended	
		31-03-2016	31-03-2015
		(Rs.)	
35 Earning per Share (EPS)			
Profit/ (Loss) for the period Rs.		(56,847,729)	(108,300,783)
Weighted average number of shares used in the calculation of EPS:			
Weighted average number of Basic Equity Shares outstanding		4,802,271	4,802,271
Weighted average number of Diluted Equity Shares outstanding		4,802,271	4,802,271
Face value of per share		10	10
Basic EPS (‘)		(11.84)	(22.55)
Diluted EPS (‘)		(11.84)	(22.55)

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

37 Related Party Disclosures:

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

a) Key Management Personnel of the Company :-

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

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

- i) Pondicherry Agro Foods Pvt. Ltd. (PAF)
- ii) ECA Gases Pvt. Ltd. (ECA)
- iii) Approach Marketing Pvt. Ltd. (AMP)
- iv) Saraf Housing Development P. Ltd (SHD)

c) Relatives of Key Management Personnel of the Company

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

	2015-16		2014-15	
	Enterprises over which K.M.P exercise significant influence	Key Management Personnel & their relatives	Enterprises over which K.M.P exercise significant influence	Key Management Personnel & their relatives
Transactions for year ended 31st March:				
Sales of Products	-		-	
Purchase of Goods	1,890,000		-	
Interest paid	9,764,396		6,199,098	
Managerial Remuneration (incl. perquisites)		7,821,156		8,020,671
Director's Sitting Fees		38,500		31,750
Rent paid		1,200,000		1,200,000
Outstanding balances as at 31st March:				
Trade Receivables	-		-	
Trade Payables & Other Liabilities	2,123,001		151,078	598,550
Investments	90,000		90,000	
Unsecured Loans received	136,957,433		93,329,395	

C Key Managerial Personnel:	<u>31-03-2016</u>	<u>31-03-2015</u>
Managerial Remuneration (including perquisites) *	7,821,156	6,019,037
* Excluding gratuity, leave encashment provisions	1,200,000	1,200,000
Rent paid		

38 Foreign Currency exposure in respect of Sundry Creditors amounting to Rs.Nil (Previous Year Rs.6.84 Lacs) are unhedged as on the Balance Sheet date.

39 Detail of Raw Material Consumption under broad heads and other particulars are given below:

	<u>31-03-2016</u>	<u>31-03-2015</u>
A. C.I.F. value of imports by the Company	Rs.	Rs.
Raw Materials		
(Calcium Carbide)	1,653,473	5,273,835
Capital Goods	-	7,467,830
Stores & Spares	-	11,483
B. Expenditure in foreign currency during the year:		
Erection and Commissioning Charges	-	2,588,947
Service Expenses	-	672,535

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

	Value Rs.		Percentage (%)	
	31-03-2016	31-03-2015	31-03-2016	31-03-2014
Raw Materials :				
Imported	2,906,827	7,508,169	21.34%	86.80%
Indigenous	10,716,168	1,141,678	78.66%	13.20%
	13,622,995	8,649,847		
Stores and Spares:				
Imported	-	11,483	-	0.12%
Indigenous	5,450,233	9,598,532	100%	99.88%
	5,450,233	9,610,015		

40 The previous figure has been reclassified/ rearranged / regrouped wherever necessary

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

Sd/-
(SUDESH CHORARIA)
Partner
Membership No. 204936

Place : Chennai
Date : 28th May 2016

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

Cash Flow Statement for the year ended 31st March, 2016

A. CASH FLOW FROM OPERATING ACTIVITIES	Year ended 31-03-2016 Rs.	Year ended 31-03-2015 Rs.
Profit/ (Loss) before Tax	(68,794,729)	(109,428,914)
Adjustment for :		
Finance Costs	60,990,821	54,261,986
Depreciation and Amortization Expenses	39,435,160	41,731,501
(Profit) / Loss on sale of Fixed Assets (Net)	(373,150)	565,269
Interest & Dividend Income	(2,220,960)	(1,631,627)
Operating profit before working capital changes	29,037,142	(14,501,785)
Changes in working Capital:		
Inventories	(995,354)	1,533,130
Trade and other Receivables	(15,788,844)	18,281,002
Long Term Liabilities and Provisions	(853,033)	1,225,166
Trade and other Payables	3,908,880	6,706,859
Cash generation from Operations	15,308,791	13,244,372
Payment of Direct Taxes	(434,727)	(259,141)
Net Cash generated/ (used) - Operating Activities	14,874,064	12,985,231
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(477,693)	(13,481,369)
Purchase of Investment	(47,000)	2,114,266
Sale of Investment	4,031,115	-
Long term Advances made	(10,593,215)	(7,961,782)
Sale of Fixed Assets	373,150	1,012,500
Interest Received	2,220,960	1,631,627
Dividend Received	-	-
Net Cash Generated/ (Used) - Investing Activities	(4,492,683)	(16,684,758)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term Borrowings	111,737,313	111,694,189
Repayment of Long-term Borrowings	(47,041,793)	(61,786,187)
Proceeds/ Repayment of Short-term Borrowings (Net)	(14,006,550)	8,215,050
Finance Cost Paid	(60,990,821)	(54,261,986)
Dividend Paid (including Dividend Distribution Tax)	-	-
Net Cash Generated/ (Used) - Financing Activities	(10,301,852)	3,861,066
Net Increase/ (Decrease) in Cash and Cash Equivalents	79,530	161,538
Add : Opening Cash and Cash Equivalents	7,889,918	7,728,380
Closing Cash and Cash Equivalents	7,969,448	7,889,918

Notes:

- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash flow Statement" as specified in the Companies (Accounting Standard) Rule 2006.
- Figures have been regrouped/ rearranged wherever necessary.

As per our report annexed.,
For and on behalf of the Board
Chartered Accountants
Firm Regn. No. 302049E
Sd/-
(SUDESH CHORARIA)
Partner
Membership No. 204936
Place : Chennai
Date : 28th May 2016

For SINGHI & CO.,

Sd/-
G.N. SARAF
Chairman & Managing Director
for NATIONAL OXYGEN LTD

Sd/-
RAJESH KUMAR SARAF
Joint Managing Director

NATIONAL OXYGEN LIMITED

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

CIN:L24111TN1974PLC006819

PROXY FORM

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

CIN: L24111TN1974PLC006819
Name of the Company : National Oxygen Limited
Registered Office: No.81 (Old No.141, Greams Road,
Opp. Greams Road Post Office, Chennai-6

Name of the Member (s):

Registered address:

E-mail Id:

Folio No. / Client Id:

DP ID:

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

1. Name

Address:

E-mail Id

Signature:.....or failing

2. Name:

Address:

E-mail Id

Signature:.....or failing

3. Name:

Address:

E-mail Id

Signature:.....or failing

As my /our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 41st Annual General Meeting, to be held on Thursday, the 29th September 2016 at 10.00 a.m. at North Madras Arya Vysya Sangam " Vasavi Kalyan Mahal" No.43-A, Bharathiar Street, Vivekananda Nagar, Chennai- 600118 and at any adjournment thereof in respect of such resolutions as are indicated below:

Description of Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Ordinary Resolution 1. Consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, the Reports of the Board of Directors and the Auditors thereon,		
Ordinary Resolution 2. Re-appointment of Smt. Veena Devi Saraf (having DIN 00007376), who retires from office by rotation and being eligible offers herself for reappointment.		
Ordinary Resolution 3. Re-appointment of Shri. Gajanand Saraf (having DIN 00007320), who retires from office by rotation and being eligible offers himself for reappointment.		
Ordinary Resolution 4. Ratification for Appointment of M/s Singhi & Co, Chartered Accountants as statutory auditors and fixing their remuneration.		
Special Resolution 5. Appointment of Mr. Rajesh Kumar Saraf as the Managing Director of the Company for a period of three years w.e.f. 01.08.2016 and remuneration to be paid.		

Signed thisday of2016

Signature of shareholder

Signature of Proxy holder(s)

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

1 Re
Revenue
Stamp

NATIONAL OXYGEN LIMITED

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

CIN:L24111TN1974PLC006819

ATTENDANCE SLIP

I hereby record my Presence at the 41st Annual General Meeting of the Company being held at North Madras Arya Vysya Sangam “ Vasavi Kalyan Mahal “ No.43-A, Bharathiar Street, Vivekananda Nagar, Chennai – 600118 on Thursday, the 29th September, 2016 at 10.00 a.m

Full Name of the Member attending / Proxy

Signature

Folio No. / DP.ID / CL.ID

No. of Shares held.

NOTE:

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

National Oxygen Limited

[CIN L:24111TN1974PLC006819]

Regd. Office: No.80,(Old No. 141), Greams Road, Chennai 600006

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

Phone: 044-28290707

BALLOT FORM (In lieu of e-voting)

1	Name and Registered Address of the sole / First Named Shareholder (In block letters)	
2	Name(s) of Joint Shareholder(s), if any	
3	Registered Folio No./ DP ID No. / Client ID No.	
4	Number of Share held	

I/We hereby exercise my/ our vote in respect of the Resolutions to be passed at the 41st Annual General Meeting of the Company to be held on 29th September, 2016 for the business stated in the Notice of the meeting dt.29.07.2016 by conveying my /our assent or dissent to the said Resolutions by placing tick mark at the appropriate box below:

Resolution No.	Description of Resolution	Type of Resolution	Number of shares held	I/We assent to the Resolution (FOR)	I/we dissent to the Resolution (AGAINST)
1	Adoption of audited financial statements for the financial year ended 31 st March, 2016	Ordinary			
2	To appoint a director in the place of Smt.Veena Devi Saraf, who retires by rotation and being eligible, offers herself for reappointment	Ordinary			
3	To appoint a director in the place of Shri. Gajanand Saraf, who retires by rotation and being eligible, offers himself for reappointment	Ordinary			
4	To ratify the appointment of M/s Singhi & Co, Chartered Accountants as the statutory auditors of the company	Ordinary			
5	To appoint Mr.Rajesh Kumar Saraf as the Managing Director of the Company for a period of three years w.e.f. 01.08.2016 and remuneration to be paid.	special Resolution			

Place

Date:

(Signature of the Shareholder)

