



# National Oxygen Limited

(An ISO 9001 : 2015 Company)

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

**Registered Office : S-1, 2nd Floor, Alsa Mall, New No.4 Old No.149, Montieth Road,  
Egmore, Chennai - 600 008.**

Phone : (044) 2852 0096 / 97 / 98 Fax : (044) 2852 0095

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

CIN No. L24111TN1974PLC006819

8th September 2021

To,  
DM-Corporate Services  
BSE Limited  
Phi raze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai - 400 001

Scrip Code:507813

Dear Sir/Mam,

Sub: Submission of Annual Report of the 46th Annual General Meeting for F.Y 2020-21 to be held on 30th September 2021-Regulation 34 of SEBI (LODR) Regulation,2015

In pursuance with Regulation 34 of SEBI(LODR) Regulation,2015, please find the enclosed Annual report of the 46th Annual General Meeting for FY 2020-21 to be held on 30th September 2021 at 11.30 am through video conferencing facility which does not require physical presence of members of a common venue. The deemed venue for the 46th AGM shall be the registered office of the Company

Kindly take the same on records.

For NATIONAL OXYGEN LIMITED

  
  
Rajesh Kumar Saraf  
Managing Director

*Breathing Life Into Industry*

FACTORY 1 : Pondy - Villupuram Road, Thiruvandar Koil, Puducherry - 605 102.  
Phone : (0413) 2640448 Fax : (0413) 2640181 E-mail : nolpondy@nolgroup.com

FACTORY 2 : Trichy - Pudukottai Road, Mathur - 622 515. Pudukottai District. Phone : (0431) 2660400  
E-mail : noltrichy@nolgroup.com

# **NATIONAL OXYGEN LIMITED**



**46<sup>TH</sup> ANNUAL REPORT**

**2020-2021**

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## CORPORATE INFORMATION

## BOARD OF DIRECTORS

Shri. Rajesh Kumar Saraf	Managing Director
Shri. Gajanand Saraf	Whole Time Director
Smt. Sarita Saraf	Director
Shri. Shanmugavadivel Siva	Independent Director
Smt. Mona Milan Parekh	Independent Director
Shri. Amit Kumar Agarwal	Independent Director
Shri. P. Ramalinga Srinivasan	Chief Financial Officer
Smt. N.Aparna	Company Secretary

**Audit Committee:**

Shri. Shanmugavadivel Siva	Independent Director (Chairman)
Smt. Mona Milan Parekh	Independent Director
Smt. Sarita Saraf	Director

**Stake Holders Relationship Committee:**

Shri. Shanmugavadivel Siva	Independent Director (Chairman)
Shri. Gajanand Saraf	Whole Time Director
Smt. Mona Milan Parekh	Independent Director

**Nomination and Remuneration Committee:**

Shri. Shanmugavadivel Siva	Independent Director (Chairman)
Smt. Mona Milan Parekh	Independent Director
Shri. Amit Kumar Agarwal	Independent Director (From 16.03.2020)

**Statutory Auditors:**

M/s. J K V S & Co,  
Chartered Accountants  
209-Hans Bhawan  
1, Bahadur Shah Zata Marg  
New Delhi- 110002

**Secretarial Auditors**

M/s. Lakshmmi Subramanian & Associates  
Murugesu Naicker Office Complex,  
No. 81, Greaves Road,  
Chennai - 600006.

**Internal Auditors**

R. Bala Subramanian  
Chartered Accountant  
No. 2 Sairam Street  
S.I.S.I Colony (Extn),  
Ullagaram,  
Chennai - 600091.

**Principal Banker:**

Punjab National Bank  
No. 9, Nungambakkam High Road,  
Nungambakkam  
Chennai - 600034

**Registrars & Share Transfer Agents**

M/s. Cameo Corporate Services Limited

Subramanian Building

No.1, Club House Road,

Chennai - 600002

Phone: 044-28460390

Email: [cameo@cameoindia.com](mailto:cameo@cameoindia.com)

**Stock Exchanges Where Company's Securities are listed**

BSE Limited

**Registered Office, ADM Office**

Door no. S-1, Alsa Mall, No.4, (Old No.149)

Montieth road,

Egmore, Chennai-600008

Email: [contact@nolgroup.com](mailto:contact@nolgroup.com)

Website: [www.nolgroup.com](http://www.nolgroup.com)

Investor Relations Email ID: [grievanceredressal@nolgroup.com](mailto:grievanceredressal@nolgroup.com)

Contact Number: 044 - 28520096

Corporate Identity Number: L24111TN1974PLC006819

**NOTICE is hereby given that the 46<sup>th</sup> Annual General Meeting of National Oxygen Limited will be held on Thursday, 30<sup>th</sup> September, 2021 through Video Conference (VC) or Other Audio Visual Means (OAVM) at 11.30 am 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, 2021 together with the Reports of the Board of Directors and the Auditors thereon.

2) To appoint a Director in place of Mrs. Sarita Saraf (having DIN: 01028027) who retires from office by rotation and being eligible offers herself for reappointment.

#### **SPECIAL BUSINESS**

##### **3) Increase in managerial remuneration payable to Mr. Rajesh Kumar Saraf, Managing Director**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197,198 and other applicable provisions , if any of the Companies Act,2013 and Rules made thereunderread with Schedule V of Companies Act ,2013 and on recommendation of Nomination and Remuneration committee, approval of the Company be and is hereby accorded for increase in annual remuneration to be paid to Mr. Rajesh Kumar Saraf, Managing Director with effect from 1<sup>st</sup> April 2021 till 31<sup>st</sup> July 2024 for the remaining tenure of his term of office on such terms and conditions as set out in the explanatory statement annexed to the Notice.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during his term of office, Company shall pay the same remuneration as mentioned in the explanatory statement within the limits specified under Schedule V of the Companies Act,2013 as the minimum remuneration.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds matters and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution.”

##### **4) Increase in remuneration payable to Mr.Gajanand Saraf, Whole time Director**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 197,198 and other applicable provisions , if any of the Companies Act,2013 and Rules made thereunderread with Schedule V of Companies Act ,2013 and on recommendation of Nomination and remuneration committee, approval of the Company be and is hereby accorded for increase in annual remuneration to be paid to Mr.GajanandSaraf, Whole Time Director with effect from 1<sup>st</sup> April 2021 till 31<sup>st</sup> March 2024 for the remaining tenure of his term of officeon such terms and conditions as set out in the explanatory statement annexed to the Notice.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during his term of office, Company shall pay the same remuneration as mentioned in the explanatory statement within the limits specified under Schedule V of the Companies Act,2013 as the minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds matters and things and execute all such documents, instruments and writings as may be required to give effect to the above resolution.

**5) Approval of requests received from certain shareholders for re-classification of their shareholding from "Promoter and Promoter Group" category to "Public" category**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 31A and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments made thereto) ("Listing Regulations"), and subject to necessary approvals from BSE Limited and such other approvals as may be necessary, the requests received from the following shareholders for re-classification of their shareholding in the Company from "Promoter and Promoter Group" category to "Public" category be and are hereby approved by the members of the Company:

S.No	Name of Shareholder
1	Ms. Mamta Gupta
2	Ms. Banita Agarwal
3	Ms. SavitaKainya
4	Mr. Arun Kumar Kainya

"RESOLVED FURTHER THAT upon receipt of the requisite approvals, the Company shall give effect of such re-classification in the shareholding pattern from the immediate succeeding quarter under Regulation 31 of the Listing Regulations and in all other records of the Company and make such applications, intimations, disclosures and/ or filings as may be relevant or necessary from such date, as may be appropriate."

"RESOLVED FURTHER THAT Mr.Rajesh Kumar Saraf, Managing Director, be and is hereby jointly and/or severally authorized to submit the applications for re-classification to BSE Limited wherein securities of the Company are listed, or any other regulatory body as may be required and to take steps necessary or desirable in this regard."

RESOLVED FURTHER THAT Mr.Rajesh Kumar Saraf, Managing Director, be and is hereby jointly and/or severally authorized to sign any documents and do any and all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary or desirable, and to settle any questions, difficulty or doubt that may arise, in order to give effect to the above resolutions for and on behalf of the Company.

RESOLVED FURTHER THAT a copy of the above resolution, certified by any of the Directors, be submitted to the concerned authorities and they are requested to act upon the same."

**Place:** Chennai

**Date:** 06.09.2021

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

**Sd/-**

Rajesh Kumar Saraf  
Managing Director

DIN: 00007353

## NOTES:

- In view of the situation arising due to COVID-19 global pandemic, the Annual General Meeting of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No.02/2021 dated January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- Additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the re-appointment as mentioned under item no.2 of this notice is appended. Further, the Company has received relevant disclosure/consent from the Director seeking appointment.
- The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2021 to 30<sup>th</sup> September, 2021 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the SEBI (Listing Obligations and Disclosures Requirements Regulations) 2015.
- In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021 read with Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.melnbfc.com](http://www.melnbfc.com) websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).
- The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s.Cameo Corporate Services Ltd, the Registrar & Share Transfer Agent of the Company.
- As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of these members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents Cameo Corporate Services Ltd for assistance in this regard.
- Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.



**E Voting & its procedures:****Voting through Electronic Means:**

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.nolgroup.com](http://www.nolgroup.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and

MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's [General Circular No. 20/2020](#), dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

#### THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on 27<sup>th</sup> September 2021 at 9.00 am and ends on 29<sup>th</sup> September 2021 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23<sup>rd</sup> September 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is</li> </ol>

	launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant NATIONAL OXYGEN LIMITED on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [contact@nolgroup.com](mailto:contact@nolgroup.com), , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by Cameo Corporae Services Limited
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

The Company has appointed Smt. Lakshmmi Subramanian, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast and she has communicated her willingness to be appointed.

The Scrutinizer, after scrutinising the votes cast during the AGM and through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company [www.melnbfc.com](http://www.melnbfc.com) and CDSL website. The results shall simultaneously be communicated to the Bombay Stock Exchange Limited.

**Place:** Chennai

**Date:** 06.09.2021

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

**Sd/-**

Rajesh Kumar Saraf

Managing Director

DIN: 00007353



**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No.3**

The Present proposal is to seek the shareholders' approval for increase in annual remuneration to be paid to Mr.Rajesh Kumar Saraf, Managing Director. The same has been recommended by the Nomination & Remuneration Committee in its meeting held on 27<sup>th</sup> May 2021.

Considering his experience and knowledge, the Board thought it fit to increase the remuneration as detailed below:

<b>Particulars</b>	<b>Remuneration</b>
Basic Salary	Rs.54,00,000/- per annum
Other Allowance - Medical & other Reimbursements	Rs. 6,00,000/- per annum
Annual Increment	To be decided by the Nomination and Remuneration Committee subject to a maximum of 25% per year on all of the above.
Other Perquisites	<p>In addition to the above salary, he will be eligible for use of chauffeur driven company cars, telecommunication facilities at residence and such other perquisites and allowances in accordance with rules of the Company.</p> <p>The Company will pay medical insurance coverage premium for him and his family for hospitalization in India.</p> <p>Membership in clubs will be made available to meet business associates during employment with the Company.</p> <p>The Company will reimburse the entertainment expenses incurred by the Executive Director in the course of business.</p> <p>The Company will reimburse the expenses incurred for subscribing newspapers and magazines by the Executive Director.</p> <p>The Executive Director will be entitled for personal accident insurance as per Company rules.</p>
Retirement Benefit	<p>The Company will pay contribution at a percentage of salary towards provident fund / pension / superannuation fund provided that such contribution shall not exceed the limit laid down under the Income Tax Act, 1961.</p> <p>The Company will contribute to gratuity at a rate not exceeding half a month's salary for each completed year of service.</p>

Leave Entitlement	As per rules of the Company
Remuneration in excess of limits	The remuneration in excess of above limits may be paid, if the resolution passed by the shareholders in a special resolution.

The overall limit of the salary inclusive of perquisites and other allowances exceeds the ceiling limit as provided under Schedule V of the Companies Act,2013.

In the event of absence or inadequacy of profit in any financial year during the tenure of his office, the Board of Directors/ Nomination and Remuneration Committee constituted by the Board, do accept to pay the above remuneration as the minimum remuneration to Mr.Rajesh Kumar Saraf, Managing Director.

The Board recommends the Resolution to be passed as a Special Resolution

Except Mr. Rajesh Kumar Saraf, none of the other Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

#### Item No.4

The Present proposal is to seek the shareholders' approval for increase in annual remuneration to be paid to Mr. Gajanand Saraf, Whole Time Director. The same has been recommended by the Nomination & Remuneration Committee in its meeting held on 27<sup>th</sup> May 2021.

Considering his experience and knowledge, the Board thought it fit to increase the remuneration as detailed below:

Particulars	Remuneration
Basic Salary	Rs.9,00,000/- per annum
House Rent Allowance	Rs.18,00,000/- per annum
Other Allowance - Medical	Rs.5,00,000/- per annum
House Maintenance	Rs.2,50,000/- per annum
Driver Salary	Rs.2,50,000/- per annum
Annual Increment	To be decided by the Nomination and Remuneration Committee subject to a maximum of 25% per year on all of the above.

Other Perquisites	<p>In addition to the above salary, he will be eligible for use of chauffeur driven company cars, telecommunication facilities at residence and such other perquisites and allowances in accordance with rules of the Company.</p> <p>The Company will pay medical insurance coverage premium for him and his family for hospitalization in India.</p> <p>Membership in clubs will be made available to meet business associates during employment with the Company.</p> <p>The Company will reimburse the entertainment expenses incurred by the Executive Director in the course of business.</p> <p>The Company will reimburse the expenses incurred for subscribing newspapers and magazines by the Executive Director.</p> <p>The Executive Director will be entitled for personal accident insurance as per Company rules.</p>
Retirement Benefit	<p>The Company will pay contribution at a percentage of salary towards provident fund / pension / superannuation fund provided that such contribution shall not exceed the limit laid down under the Income Tax Act, 1961.</p> <p>The Company will contribute to gratuity at a rate not exceeding half a month's salary for each completed year of service.</p>
Leave Entitlement	As per rules of the Company
Overall	Rs. 37,00,000/- per annum

The overall limit of the salary inclusive of perquisites and other allowances exceeds the ceiling limit as provided under Schedule V of the Companies Act, 2013.

In the event of absence or inadequacy of profit in any financial year during the tenure of his office, the Board of Directors/ Nomination and Remuneration Committee constituted by the Board, do accept to pay the above remuneration as the minimum remuneration to Mr. Gajanand Saraf, Whole Time Director.

The Board recommends the Resolution to be passed as a Special Resolution

Except Mr. Gajanand Saraf, none of the other Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

**Item No.5**

Pursuant to Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), BSE Limited may allow re-classification of promoters as public shareholders subject to fulfilment of conditions as provided therein.

In this regard, the Company has received a letter from certain shareholders who are part of the “Promoter and Promoter Group” of the Company and have requested for re-classification under the “Public” category under Regulation 31A of the Listing Regulations (“Request”). The Request of the following shareholders was received by the Company, 14<sup>th</sup> June 2021 and was placed before the Board of Directors at its meeting held on 22<sup>nd</sup> June 2021:

S.No	Name of Shareholder
1	Mamta Gupta
2	Banita Agarwal
3	Savita Kainya
4	Arun Kumar Kainya

The Board noted that the Promoters are no longer associated with the business of the Company in any manner, and do not exercise any control over the Company, directly or indirectly, or have any influence over the business and policy decisions made by the Company. Further, the Promoters are not engaged in the day-to-day affairs of the Company. They also confirmed that they are eligible for re-classification as public shareholders and satisfy the conditions set out in Regulation 31A of the Listing Regulations and any other applicable law. In accordance with Regulation 31A(3)(b), of the Listing Regulations, the Promoters have confirmed that they and the persons related to them (as defined by sub-clause (i), (ii) and (iii) of sub-clause (pp) of sub Regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018):

- a) together, do not hold more than 10 (ten) percent of the total voting rights of Company;
- b) do not exercise control over the affairs of the Company, whether directly or indirectly;
- c) do not have any special rights with respect to the Company through formal or informal arrangements, including through any shareholder agreements;
- d) are not represented in any capacity on the Board of Directors of the Company (including through any nominee director);
- e) are not acting as key managerial persons in the Company;
- f) are not “wilful defaulters” as per the Reserve Bank of India guidelines; and
- g) are not fugitive economic offenders

The Promoters have also undertaken to abide by the conditions listed in Regulation 31A(4) of the Listing Regulations after their re-classification as public shareholders of the Company pursuant to the approval of such re-classification by the shareholders of the Company and the Stock Exchanges,

failing which, they shall automatically be re-classified as Promoters/persons belonging to the Promoter Group, as applicable.

The Board of Directors of the Company considered the facts stated above and accepted the Request for re-classification from “Promoter and Promoter Group” category to the “Public” category by the Promoters subject to approval of the members of the Company and also subject to the approval of the Bombay Stock Exchange. In accordance with the Listing Regulations, the Board of Directors has recommended passing the Ordinary Resolution as set out in the notice, for approval of the members of the Company.

As required under the Listing Regulations, upon re-classification to the “Public” category, the Promoters shall not:

- a) hold more than 10% of the total voting rights in the Company;
- b) exercise control over the affairs of the Company directly or indirectly; or
- c) have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements.

Further, they shall not be represented on the Board of Directors of the Company (including through a nominee director) or act as key managerial persons of the Company for a period of at least 3 (three) years from date on which the Stock Exchange approve their re-classification to the “Public” category.

The Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations. The Company does not have any outstanding dues to the Securities and Exchange Board of India, the Stock Exchange, or the Depositories. Further, trading in the equity shares of the Company has not been suspended by the Stock Exchanges.

In accordance with the Listing Regulations, these persons and their immediate relatives [as defined under Regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018] shall not vote on this resolution.

The Board of Directors recommends the resolution for approval of the members of the Company, as set out at Item No.5 of the Notice.

None of the Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise in this resolution.

## ANNEXURE TO NOTICE

AS PER REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ADDITIONAL INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED

Particulars of Directors	Mrs. Sarita Saraf
DIN	01028027
Date of Birth	24.06.1967
Date of Appointment	10.02.2018
Qualifications	Graduate
Expertise in specific functional are as	15 years
Chairmanships/Directorships in Other companies (Excluding Foreign Companies and Section 8 Companies)	Director in two private companies namely; 1.Pondicherry Agro Foods Private Limited 2.Saraf Housing Development Private Limited
Chairman/Member of the committees of company	Member of Audit committee
Chairmanships / Memberships of Committees of other Public Companies	NIL
Number of Shares held in the Company	501809
Relationship with any other Directors and KMP	Mr. Rajesh Kumar Saraf & Mr. Gajanand Saraf

**Place:** Chennai

**Date:** 06.09.2021

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

**Sd/-**

Rajesh Kumar Saraf

Managing Director

DIN: 00007353

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors' have pleasure in presenting the **46<sup>th</sup> Annual Report** on the business and operations of your company along with the Audited Financial Statements for the year ended 31st March 2021.

## FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31<sup>st</sup> March, 2021.

PARTICULARS	STANDALONE (Rupees in lacs)	
	31/03/2021	31/03/2020
Revenue from operations	3976.47	4393.33
Other income	39.88	26.93
Profit/(Loss) before Depreciation & tax	667.13	666.59
Interest	448.41	480.34
Depreciation	328.24	341.40
Profit/(Loss) before tax	(109.52)	(155.15)
Provision for tax	0	0
Tax for earlier years	0	0
Deferred tax	0	1.36
Profit/(Loss) after tax	(109.52)	(156.51)
Other Comprehensive Income	(2.59)	3.54
Total Comprehensive Income for the period	(106.93)	(160.05)

## BUSINESS &amp; PERFORMANCE

During the year under review, the Company has made Loss of (Rs.109.52 lacs), against Loss of (Rs.156.51 lacs), in the last financial year. The total comprehensive income/Loss of the company for the year under review is Loss of (Rs.106.93 lacs) against comprehensive income/Loss of (Rs.160.05 lacs) in the last financial year.

## SHARE CAPITAL

During the year the Company has increased the Authorised Share capital from Rs.5,00,00,000/- to Rs.17,00,00,000/-.

The paid up Equity Share Capital as on March 31, 2021 was Rs. 4,80,22,710/-

During the year, the Company has converted the existing loan given by M/s. Saraf Housing Development Private Limited in order to reduce the interest burden and to increase the net worth of

the Company. The Company has issued Compulsory convertible Preference shares on account of such conversion of loan.

The Preference share capital as on March 31, 2021 was Rs.12,00,00,000/- which is pending for listing with Bombay Stock exchange.

#### **DIVIDEND**

The Directors have not recommended any dividend for the financial year 2020-21 due to inadequacy of profits.

#### **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund ("IEPF")**

During the year, the Company has transferred Rs.1,88,820/- to IEPF account for the period 2012-2013

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

There has been no loan and guarantees given or made by the Company under Section 186 of the Act, 2013 during the financial year 2020-21 except for investment made in equity of OPG Power Generation Private Limited which is within the specified limit.

#### **TRANSFER TO GENERAL RESERVE**

Your Company does not propose any transfer of funds to the General Reserve due to inadequacy of profits

#### **DEPOSITS**

Your Company has not accepted any deposits from the public during the year under review. There are no outstanding deposits as on 31<sup>st</sup> March 2021.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

Particulars of contracts or arrangements with related parties referred to Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC 2, are appended as **Annexure II**.

#### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

##### **Industry Structure and Developments**

Presently the Company Manufactures industrial gasses both in liquid and gaseous form. 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 full rated capacity. The Company is working at its market front since the supply of the Companies product has increased compared to the previous year.



**Opportunities and Threats:**

Our Company project has resulted in high quality output which has resulted to tie up long term contracts with the customers. Our main concern is, continuous competition from other manufactures in the same line of production.

**Segment wise performance:**

Presently the Company has one manufacture segment to manufacture industrial gasses both in liquid and gaseous form at plants situated at Pondicherry and Perundurai. The plants situated at both places are performing at full rate capacity. The products are very useful to hospitals and industry sector. Our products are in competitive position in the market.

**Risks and Concerns:**

Our main concern is, continuous competitive from other manufacturers in the same lien of production by reducing the price in the market due to which the Company has to reduce the price to retain its share in the market.

**RISK MANAGEMENTREPORT**

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance with the provisions of the listing agreement the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

Them a in objective of this policy is to ensures us tainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisionson risk relate dissues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

**BOARD POLICIES**

The Company has the following policies which are applicable as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 which are placed on the website of the Company [www.nolgroup.com](http://www.nolgroup.com)

- (i) Code of conduct for Directors and Senior Management
- (ii) Policy of Directors' Appointment and Remuneration
- (iii) Policy on determining materiality of events
- (iv) Policy on documents preservation and archival
- (v) Terms of appointment of Independent Directors
- (vi) Nomination & Remuneration Policy
- (vii) Policy on Related Party Transactions

- (viii) Policy on sexual harassment of women at work place (Prevention, Prohibition and redressal) Act, 2013

#### **BOARD DIVERSITY**

Since the Company falls under the exempted category as provided under Regulation 15 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 disclosure on Board diversity is not applicable.

#### **DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place Prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (Permanent, contractual, temporary, trainees) are covered under this policy. The said policy is placed in the website of the Company viz [www.nolgroup.com](http://www.nolgroup.com)

The Company has constituted Internal Complaint Committee as per the aforesaid Act. The details of the Committee Members are given below:

Ms.Revathi	Chairman
Ms.Yosatha Babu	Member
Mr.P.Ramalingam Srinivasan	Member

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors state that during the financial year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES**

The Company does not have any subsidiaries, associates and joint venture companies.

#### **MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF REPORT**

There are no material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report, affecting the financial position of the company.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

#### **AUDITORS**

##### **Statutory Auditors**

Board of Directors of the company has appointed M/s. JKVS & Co, Chartered Accountants, New Delhi (Firm Registration Number: 318086e), In the place of retiring auditors, from the conclusion of

42<sup>nd</sup> Annual General Meeting (From FY 2017-2018) till the conclusion of 47<sup>th</sup> Annual General Meeting (Till FY2022-23) of the company and approved by the members of the company in the Annual General Meeting (AGM) to be held on 28<sup>th</sup> August 2017.

#### **Comments on Statutory Auditor's Report**

There are no qualification, reservation, remarks or disclaimers by M/s .JKVS& Co, Statutory Auditor in their Audit Report.

#### **Secretarial Auditors**

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) Rules, 2014, Ms. Lakshmmi Subramanian of M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries (Membership No. CP 3534) was appointed to conduct the Secretarial Audit for the financial year 2020-2021. The Secretarial Audit report as received from the Secretarial Auditor is annexed to this report as **Annexure II.**

#### **Comments on Secretarial Audit Report**

There are no material qualifications in the Secretarial Report except for few observations in the Secretarial Audit report and the same has been taken on record for due action.

#### **Internal Auditors**

Mr.R.Bala Subramanian, Chartered Accountants, are the Independent Internal Auditors of the Company. The Audit Committee determines the scope of internal Audit in line with regulatory and business requirements

#### **Cost Auditor**

Pursuant to notification of Companies (Cost Records and Audit) Rules,2014 read with Companies (Cost Records and Audit) Amendment rules,2014, the Company does not fall under the purview of Cost Audit.

### **DIRECTORS AND KEY MNAGERIAL PERSONNEL**

#### **Board Composition**

Mr.Rajeshkumar Saraf	Managing Director
Mr.Gajanand Saraf	Whole time Director
Mrs.Sarita Saraf	Director
Mr.Shanmugavadivel Siva	Independent Director
Mrs.Mona Milan Parekh	Independent Director
Mr.Amit Kumar Agarwal	Independent Director

#### **Key Managerial Personnel**

Mr.Rajesh Kumar Saraf	Managing Director
Mr.P.Ramalingam Srinivasan	Chief Financial Officer
Mrs.Aparna.N	Company Secretary

### Meetings of Board of Directors

During the year, seven meetings of the Board of Directors were held on the following dates as follows:

20<sup>th</sup> June 2020; 18<sup>th</sup> August 2020; 7<sup>th</sup> November 2020; 2<sup>nd</sup> February 2021; 9<sup>th</sup> February 2021; 15<sup>th</sup> February 2021; 27<sup>th</sup> March 2021

### AUDIT COMMITTEE

#### Composition of Audit Committee

Mr.Shanmugavadivel Siva	Independent Director (Chairman)
Mrs.Mona Milan Parekh	Independent Director (Member)
Mrs.Sarita Saraf	Independent Director (Member)

#### Meeting of Audit Committee

During the year, four meeting of the Audit Committee were held on the following dates:

20<sup>th</sup> June 2020; 18<sup>th</sup> August 2020; 7<sup>th</sup> November 2020; 9<sup>th</sup> February 2021

### NOMINATION ND REMUNERATION COMMITTEE

#### Composition of Nomination & Remuneration Committee

Mr.Shanmugavadivel Siva	Independent Director (Chairman)
Mrs.Mona Milan Parekh	Independent Director (Member)
Mr.Amit Kumar Agarwal	Independent Director (Member)

#### Meeting of Nomination & Remuneration Committee

During the year, two meetings of the Nomination & Remuneration Committee were held on the following dates:18<sup>th</sup> August 2020; 7<sup>th</sup> November 2020

### STAKEHOLDERS RELATIONSHIP COMMITTEE

#### Composition of Stakeholders Relationship Committee

Mr.Gajanand Saraf	Whole Time Director (Chairman)
Mr.Shanmugavadivel Siva	Independent Director (Member)
Mrs.Mona Milan Parekh	Independent Director (Member)

**Meeting of Stakeholders Relationship Committee**

During the year, four meeting of the Stakeholders Relationship Committee were held on the following dates:

20<sup>th</sup> June 2020; 18<sup>th</sup> August 2020; 7<sup>th</sup> November 2020; 9<sup>th</sup> February 2021

**CORPORATE SOCIAL RESPONSIBILITY**

Your Company is having accumulated losses and not having profits more than Rs. 5 Crores in the year 2019-20 or net worth more than Rs. 500 Crores or Turnover of more than Rs. 1000 Crores in the previous financial year and therefore Constituting of a CSR Committee and its Compliance in accordance with the provisions of Section 135 of the Act, does not arise.

**BOARD EVALUATION**

Pursuant to the provisions of Companies Act, 2013 and of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Relationship Committee. The Manner in which the evaluation has been carried out is explained below.

**Evaluation Of Executive Directors At Independent Director's Meeting:**

During the year under review, the Independent Directors met on 18<sup>th</sup> August 2020 inter alia to:

- (i) Review the performance of Non - Independent directors and the Board as a whole.
- (ii) Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors.
- (iii) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**INDEPENDENT DIRECTOR'S DECLARATION**

All Independent Directors have given declarations that they meet the Criteria of independence laid down under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 in respect of financial year ended 31<sup>st</sup> March, 2021, which has been relied on by the Company and placed at the Board Meeting.

**CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT:**

The Board of Directors has adopted a policy and procedure on Code of Conduct for the Board Members and employees of the Company in accordance with the SEBI (Prohibition of Insiders Trading) Regulations, 2015. 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 wrong doing and promoting ethical conduct at the Board and by 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

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE INFLOW & 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 read with Rule 8 of the Companies (Accounts) Rules, 2014 are attached as **Annexure V**.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134 (5) of the Act, the Directors hereby confirm:

1. That in the Preparation of Final Accounts, the applicable Accounting Standards has been followed along with proper explanation relating to material departures;
2. That they had selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the Company for that period.
3. That they had taken proper and sufficient care for the maintenance of adequacy 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;
4. That they had prepared the Annual Accounts on a Going Concern basis.
5. That they laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
6. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under the Companies Act, 2013 are covered under the Board's policy formulated by the Company and is available on the Company website [www.nolgroup.com](http://www.nolgroup.com)

#### **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 Regulations 34 (3), 18 (3) and 46 of SEBI (LODR) Regulations, 2015, 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 to direct access to the Chairman of the Audit Committee.

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

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has formulated a Framework on Internal Financial Controls In accordance with Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014, the Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations and they are operating effectively. The systems are periodically reviewed by the Audit Committee of the Board for identification of deficiencies and necessary time bound actions are taken to improve efficiency at all the levels. The Committee also reviews the observations forming part of internal auditors' report, key issues and areas of improvement, significant processes and accounting policies.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of extract of Annual Return in form MGT-9 as provided under Sub Section (3) of the Section 92 of the Companies Act, 2013 (the Act) is annexed herewith as **Annexure I** to this report.

**DISCLOSURE OF SHARES HELD BY PROMOTERS IN DEMAT FORM:**

The promoters of the Company hold all their shares in demat form. The details of Shareholding of the Promoters are given in MGT-9 (Annexure -3 to this report).

**PARTICULARS OF EMPLOYEES:**

The Information required under Section 197 (12) of Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, forms part of this Report as **Annexure IV**.

The Information of employees as per Rule 5(2) of the said Act for the year is "Nil".

**PARTICULARS OF REMUNERATION**

The remuneration paid to key Managerial Personnel and Executive Directors was in accordance with Section 197 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Companies Act, 2013

**DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

No Application is made by the company or any proceedings are pending under the Insolvency and Bankruptcy code, 2016 during the year

**DISCLOSURE REQUIREMENTS:**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and is of the view that such systems are adequate and operating effectively.

**SECRETARIAL STANDARD**

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to "Meetings of the Board of Directors" and "General Meetings" respectively

**CORPORATE GOVERNANCE REPORT**

Since your Company's paid up Equity Capital, and Net worth is less than Rs. 10 Crores and Rs. 25 Crores respectively, the provisions of revised Clause 49 relating to Corporate Governance, vide SEBI Circular number CIR/CFD/POLICY CELL/7/2014 dated 15<sup>th</sup> September, 2014 is not applicable to the Company

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:**

Training on all sectors are given to its employees periodically and motivated to work in line 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 100.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation of the Contributions made by employees at all levels, towards the continued growth and prosperity of your Company. Directors also take this opportunity to convey their thanks to all the valued shareholders of the Company and to the Bakers for their valuable services.

**For and on behalf of the Board**

**Place:** Chennai

**Date:** 06.09.2021

**Sd/-**

Rajesh Kumar Saraf  
Managing Director

**Sd/-**

Gajanand Saraf  
Whole time Director



Annexure I  
Form No. MGT -9  
EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31.03.2021

[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	Door no. S-1,Alsa Mall, No.4, (Old No.149) Montieth Road, Egmorechennai-600008
Whether listed Company Yes/No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Buildings" 1, Club House Road, Chennai- 600002 Ph:-044-28460390 -6 Lines Fax:-044-28460129

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All Business activities contributing 10 % or more of the total turnover of the Company shall be stated:

S.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	99.10

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S.NO	Name and Address of the Company	CIN/GNL	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
NIL					

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category -wise Share holding

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
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters	2646634		2646634	55.11	2762102		2762102	57.52	2.40
(1) Indian									
a) Individual/HUF									
b) Central Govt.	0	0	0	0	0	0	0	0	
c) State Govt.	0	0	0	0	0	0	0	0	
d) Bodies Corporate	599056		599056	12.47	599056		599056	12.47	0
e) Banks/FI	0	0	0	0	0	0	0	0	
f) Any other	0	0	0	0	0	0	0	0	
<b>Sub Total(A)(1)</b>	<b>3245690</b>	<b>0</b>	<b>3245690</b>	<b>67.58</b>	<b>3361176</b>	<b>0</b>	<b>3361176</b>	<b>69.99</b>	<b>2.40</b>
(2) Foreign									
a) NRIs Individuals									
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0

e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>3245690</b>	<b>0</b>	<b>3245690</b>	<b>67.58</b>	<b>3361176</b>	<b>0</b>	<b>3361176</b>	<b>69.99</b>	<b>2.40</b>
B. Public Shareholding	0	0	0	0	0	0	0	0	0
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total(B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2. Non-Institutions	40864	0	40864	0.85	36241	0	36241	0.75	-0.10
a) Bodies Corp.									
i) Indian									
b) Individuals	620019	282150	902169	18.79	566630	282900	849530	17.69	-1.1
i) Individuals shareholders holding nominal share									

capital upto Rs. 2 lakh									
ii) Individuals shareholders holding nominal share capital excess of Rs. 2 lakh	561401	0	561401	11.69	503734	0	503734	10.49	-1.2
Others (specify)									
(C-i) Clearing Member	914		914	0.02	809		809	0.02	0
(C-ii) Trust									
(C-iii) Foreign Nationals									
(C-iv) HUF	16026	1965	17991	0.37	16954	1965	18919	0.39	0.02
(C-v) Non Resident Indians	8960	0	8960	0.19	8330	0	8330	0.18	-0.01
Others	0	750	750	0.02	0	0	0	0	-0.02
IEPF	23532	0	23532	0.49	23532	0	23532	0.49	0.49
<b>Sub - Total (B)(2)</b>	<b>1271716</b>	<b>284865</b>	<b>1556581</b>	<b>32.42</b>	<b>1156230</b>	<b>284865</b>	<b>1441095</b>	<b>30.01</b>	<b>-2.41</b>
<b>Total Public shareholding (B)=(B)(1)+(B)(2)</b>	<b>1271716</b>	<b>284865</b>	<b>1556581</b>	<b>32.42</b>	<b>1156230</b>	<b>284865</b>	<b>1441095</b>	<b>30.01</b>	<b>-2.41</b>
C. Shares held by custodian for GDRs&ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>4517406</b>	<b>284865</b>	<b>4802271</b>	<b>100</b>	<b>4517406</b>	<b>284865</b>	<b>4802271</b>	<b>100</b>	

## ii) Share Holding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the
		No. of shares	% of total	% of Shares	No. of Shares	% of total	% Shares	

			shares of the Compa ny	Pledged /encum bered to total shares		Shares of the Compa ny	pledged /encum bered to total shares	year
1.	Rajesh Kumar Saraf	1070081	22.28	0	1070081	22.28	0	
2.	GajanandSaraf	365227	7.61	0	508727	10.59	0	2.98
3.	SaritaSaraf	501809	10.45	0	501809	10.45	0	
4.	GajanandSaraf- BHUF	199326	4.15	0	199326	4.15	0	
5.	GajanandSaraf- HUF	229555	4.78	0	229555	4.78	0	
6.	Rajesh Kumar Saraf - HUF	134338	2.80	0	134338	2.80	0	
7.	Mamta Gupta	62784	1.30	0	62784	1.31	0	
8.	Banitha Agarwal	33600	0.70	0	33600	0.70	0	
9.	Saritha Devi Gupta	28014	0.58	0	0	0	0	-0.58
10.	SavithaKainya	21000	0.44	0	21000	0.44	0	
11.	Arun Kumar Kainya	900	0.02	0	900	0.02	0	
12.	Saraf Housing Development Pvt. Ltd.	252885	5.26	0	252885	5.27	0	
13.	East Coast Acetylene Pvt. Ltd.	184346	3.84	0	184346	3.84	0	
14.	Pondicherry Agro Foods Pvt. Ltd.	161825	3.37	0	161825	3.37	0	
	<b>Total</b>	<b>3245690</b>	<b>67.59</b>		<b>3361176</b>	<b>69.99</b>	0	<b>2.40</b>

**(iii) Change in Promoter's Shareholding (Please specify, if there is no change)**

During the financial year the promoter shareholding has been increased by 2.40 % due to purchase of 143500 equity shares by Mr. Gajanad Saraf and sale of 28014 equity shares by Mrs. Saritha Devi Gupta.

## (iv) Shareholding Pattern of top ten Shareholders (Other than Directors),

## Promoters and Holding 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	% Total shares of the Company	No. of shares	% of total shares of the Company
1.	F I Dadabhory-JT1-P Dadabhoy At the beginning of the year 01.04.2020 At the end of the year 31.03.2021	177000	3.69	177000	3.69
2.	R F Dadabhoy-Jt. F L Dadabhoy At the beginning of the year 01.04.2020 At the end of the year 31.03.2021	66000	1.37	66000	1.37
3.	N F Dadabhoy At the beginning of the year 01.04.2020 At the end of the year 31.03.2021	72300	1.51	72300	1.51
4.	Manta Gupta At the beginning of the year 01.04.2020 At the end of the year 31.03.2021	62784	1.30	62784	1.30
5.	Hitesh Ramji Javeri At the beginning of the year 01.04.2020 At the end of the year 31.03.2021	61039	1.27	61039	1.27
6.	P.F.Dadabhoy At the beginning of the year 01.04.2020	33000	0.68	33600	0.76

	At the end of the year 31.03.2021				
7.	Banita Agarwal At the beginning of the year 01.04.2020  At the end of the year 31.03.2021	33600	0.69	33600	0.69
8.	Shirin Watwani  At the beginning of the year 01.04.2020  At the end of the year 31.03.2021	33000	0.69	33000	0.69
9.	SICGIL Industrial Gases Ltd  At the beginning of the year 01.04.2020  At the end of the year 31.03.2021	31500	0.65	31500	0.65
10.	Mahendra Girdharilal  At the beginning of the year 01.04.2020  At the end of the year 31.03.2021	29481	0.61	29481	0.61

**(v) Shareholding of Directors and Key Managerial Personnel:**

SL.NO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% Total shares of the Company	No. of shares	% of total shares of the Company
1.	Gajanand Saraf				
	At the beginning of the year 01.04.2020	365227	7.60	365227	7.60
	At the end of the year 31.03.2021	508727	10.59	508727	10.59
2.	Gajanand Saraf- HUF				
	At the beginning of the year 01.04.2020	229555	4.78	229555	4.78

	At the end of the year 31.03.2021	229555	4.78	229555	4.78
3.	Gajanand Saraf- BHUF				
	At the beginning of the year 01.04.2020	199326	4.15	199326	4.15
	At the end of the year 31.03.2021	199326	4.15	199326	4.15
4.	Rajesh Kumar Saraf				
	At the beginning of the year 01.04.2020	1070081	22.28	1070081	2.28
	At the end of the year 31.03.2021	1070081	22.28	1070081	2.28
5.	Rajesh Kumar Saraf-HUF				
	At the beginning of the year 01.04.2020	134338	2.79	134338	2.79
	At the end of the year 31.03.2021	134338	2.80	134338	2.80
6.	Sarita Saraf				
	At the beginning of the year 01.04.2020	501809	10.45	501809	10.45
	At the end of the year 31.03.2021	501809	10.45	501809	10.45

**V.INDEBTEDNESS:****Indebtedness of the Company including interest outstanding/ accrued but not due for payment**

Details of borrowing	Secured	Unsecured	Total
Indebtedness at the beginning of the financial year			
i)Principal Amount	1267.07	1998.54	3265.61
ii) Interest due but not paid	0	0	0
iii) Interest accrued but not due	0	0	0
Total (i+ii+iii)	1267.07	1998.54	3265.61
Changes indebtedness during the year			



Addition	132.64	0	132.64
Reduction	0	(1481.00)	(1481.00)
Net Change	132.64	(1481.00)	(1357.36)
Indebtedness at the end of the financial year			
i)Principal Amount	1399.71	517.54	1917.25
ii)Interest due but not paid			
iii)Interest accrued but not due			
Total (i+ii+iii)	1399.71	517.54	1917.25

## VI.REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time Director and/or Manager:

S.NO	Particulars of Remuneration	Name of the 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 under section 17(2) of the Income tax Act, 1961 (c) Profits in lieu of Salary under Section 17 (3) of the Income tax Act, 1961	Rajesh Kumar Saraf  Gajanand Saraf	Rs.27.69 lakhs  Rs.8.25 lakhs
2	Stock Option	-	-
3	Sweat equity	-	-
4	Commission -as % of profit -others, specify	-	-
5	Others, please specify	-	-
	Total (A)		Rs.35.94 lakhs

### B. Remuneration to Other Directors: NIL

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

SL.NO	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b)Value of perquisites under section 17(2) of the Income tax Act, 1961 (c)Profits in lieu of Salary under Section 17 (3) of the	96000	432000	528000
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)	96000	432000	528000

## VII.PENALTIES / PUNISHMENT/ COMPOUNDING OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT/COU RT/	Appeal made, if any (given Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board

Place: Chennai

Date: 06.09.2021

Sd/-

Rajesh Kumar Saraf  
Managing Director

Sd/-

Gajanand Saraf  
Whole time Director

## ANNEXURE II

**Secretarial Audit Report  
FOR THE FINANCIAL YEAR ENDED 31.03.2021**

[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  
Door No.S-1, Alsa Mall, No.4(Old No.149), Montieth road,  
Egmore, Chennai-600008

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, 2021 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, 2021 according to the provisions as applicable to the Company during the period of audit:

- (i) The Companies Act, 2013 (the Act) and the rules madethereunder
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules madethereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framedthereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBIAct'):-
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. However, the Regulation 24A relating to Secretarial Compliance Report is not applicable to the Company for the period underreview;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011 as amended from time to time.
  - (c) 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 as amended from time to time.
  - (d) 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 securitiesissued;
  - (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.

(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.

(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 (i) to (vi) above and point no. (vii) reported under separately and except the following:

1. The Company has filed e-Form MGT-14, DIR-12 & MGT-7 with additional fees with Ministry of Corporate Affairs.
2. The Company has transferred Rs.1,88,820 (Rupees One lakh Eighty-Eight Thousand Eight Hundred and Twenty only) to IEPF for the period 2012-13 has been filed with delay.

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

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

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- c) Foreign Exchange Management Act, 1999 and the rules and regulations.
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) 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 laws as given under (vii) above, other general laws including Industrial Laws, Human Resources and Labour Laws and Environmental Laws.

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 duly constituted with proper balance of Executive Directors and Independent Directors,

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, which have a major bearing on the Company's affairs, except the following:

1. Mr. Amit Kumar Agarwal has been appointed as an Independent Director for a period of five year in the 45<sup>th</sup> Annual General Meeting of the Company held on 19th September 2020.
2. The Company has shifted its registered office from "Flat No.1B,1st Floor, Arihant Jashn (Old no.121), New No.38,Rukmani Lakshmipathy Salai, Egmore,Chennai to "Door No.S-1, Alsa Mall, No.4(Old No.149), Montieth road, Egmore, Chennai-600008 with effect from 18th August 2020
3. The Company has appointed Company Secretary cum Compliance Officer as per Section 203 of the Companies Act, 2013 read with Regulation 6 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with effect from 1<sup>st</sup> October, 2020 in the place of Company Secretary who has resigned on 1<sup>st</sup> October 2020.
4. The Company has filed e-Form CHG-1 for availing credit facility of Rs. 3,57,57,000 from Punjab National Bank and Rs.59,91,149 from HDFC Bank during the period under review.
5. The Company has increased the Authorised capital of the Company from Rs.5,00,00,000 (Rupees Five Crore only) to Rs.17,00,00,000 (Rupees Seventeen Crores only)
6. The Company have decided to convert the loan borrowed from M/s.Saraf Housing Development Private Limited into equity for which the shareholders approval have been obtained through postal ballot on 9<sup>th</sup> March 2021. In continuation, the Company has filed e-Form PAS-3 for allotment of preference shares to M/s. Saraf Housing Development Private Limited.

There are no material events after the end of the financial year 31<sup>st</sup> March 2021.

Place: Chennai

Date: 05-09-2021

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

Lakshmmi Subramanian  
Senior Partner  
FCS No. 3534  
C.P.No.1087  
UDIN: F003534C000901741

**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

The Members

National Oxygen Limited

Door No.S-1, Alsa Mall, No.4 (Old No.149), Montieth road,  
Egmore, Chennai-600008

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 the management. Our examination was limited to the verification of procedures on a 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.

Place: Chennai

Date: 05-09-2021

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

**Lakshmmi Subramanian**  
Senior Partner  
FCS No. 3534  
C.P.No.1087  
UDIN: F003534C000901741

**ANNEXURE - III**  
**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 (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 Contracts or 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) Name of the related party and nature of relationship:
    - (i) Pondicherry Agro Foods Private Limited
    - (ii) Saraf Housing Development Private Limited
    - (iii) ECA Gases LLP
    - (iv) G N Saraf - Whole Time Director
    - (v) Rajesh Kumar Saraf - Managing Director
    - (vi) Sarita Saraf -Director
  
  - b) Nature of transaction
    - (i) Sale of Products to ECA Gases LLP
    - (ii) Purchase of goods from ECA Gases LLP
    - (iii) Interest paid to Saraf Housing Private Limited
    - (iv) Rent paid to Saraf Housing Private Limited
    - (v) Managerial Remuneration
    - (vi) Directors sitting fee
    - (vii) Issue of Compulsory Convertible Preference shares by the Company
  
  - c) Salient terms of the transaction including the value if any

Nature of Transactions	Enterprise in which KMP exercise significant influence	Key Managerial personnel & Their relatives
Sale of Products	58.67	-
Purchase of Goods	63.87	-
Interest paid to Saraf Housing	207.38	-



Development Private Limited		
Rent paid to Saraf Housing Development Private Limited	5.00	7.70
Managerial Remuneration - KMP	-	35.94
Issue of Compulsory convertible Preference shares	1200.00	-

For and on behalf of the Board

Place: Chennai

Date: 06.09.2021

Sd/-

Rajesh Kumar Saraf  
Managing Director

Sd/-

Gajanand Saraf  
Whole time Director

## ANNEXURE IV

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. Rajesh Kumar Saraf - Managing Director	14.6:1
Mr. Gajanand Saraf - Whole Time Director	3.6:1

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

Directors, Chief Financial Officer, Chief Executive Officer and Company Secretary	NIL
-----------------------------------------------------------------------------------	-----

- 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: 100  
 e. Average percentile increase already made in the salaries of the 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 850000/- P.M or 10200000/- P.A as prescribed under sub rule 2 of the Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

**For and on behalf of the Board**

**Place:** Chennai

**Date:** 06.09.2021

Sd/-  
Rajesh Kumar Saraf  
Managing Director

Sd/-  
Gajanand Saraf  
Whole time Director

## ANNEXURE V

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

- 1) Introduction of efficient lighting system and special capacitor banks for improvement of power factor.
- 2) Improvements in operating efficiency and reduction of losses at workers level
- 3) Technology for production of gasses is being upgraded continuously. Also distribution technology for cryogenic liquid products is streamlined.
- 4) Capital investments on energy conservation equipments: Nil

**(B) Technology absorption:**

- 1) The efforts made towards technology absorption: Nil
- 2) Benefits derived

**Production improvements NIL****Cost Reduction NIL****Product development or Import substitution NIL**

- (i) Imported Technology NIL
- (ii) Expenditure incurred on Research and Development NIL

**(C) Foreign exchanges and outgo:**

Details	2020-2021 Rs. In Lacs	2019-2020 Rs. In lacs
Earning in Foreign Exchange	Nil	Nil
Expenditure in Foreign Exchange	Nil	Nil
CIF value of imports – Raw Materials – Calcium Carbide	44.58	55.69

**For and on behalf of the Board**

**Place:** Chennai  
**Date:** 06.09.2021

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

**Sd/-**  
Gajanand Saraf  
Whole time Director

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF NATIONAL OXYGEN LIMITED****Report on the Financial Statements****Opinion**

1. We have audited the accompanying financial statements of **NATIONAL OXYGEN LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its Loss(including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Key Audit Matters**

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

S.No.	Key Audit Matter	Auditor's Response
1	<p><b>Valuation of trade receivables</b></p> <p>As disclosed in Note 8 to the financial statements.</p> <p>The Company assesses periodically and at each financial year end, the expected credit loss associated with its receivables. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics. We focused on this area because of its significance and the degree of judgement required to estimate the expected credit loss and determining the carrying amount of trade Receivables .</p>	<p><b>How our audit addressed the key audit matter:</b></p> <p>We obtained an understanding of the Company's credit policy for trade receivables and evaluated the processes for identifying impairment indicators. We have reviewed and tested the ageing of trade receivables. We have reviewed management's assessment on the credit worthiness of selected customers for trade receivables. We further discussed with the key management on the adequacy of the allowance for impairment recorded by the Company and reviewed the supporting documents provided by management in relation to their assessment. We have also reviewed the adequacy and appropriateness of the impairment charge based on the available information.</p> <p><b>Our Observation:</b></p> <p>Based on our audit procedures performed, we found management's assessment of the recoverability of trade receivables to be reasonable and the disclosures to be appropriate.</p>

#### Information Other than the Financial Statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises of the Board's Report including its Annexures, and other report placed by the management before the members. The Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

6. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
8. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B to this report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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. 41(A) to the financial statements;
    - (ii). The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - (iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. There has been no delays in transferring amounts, to the Investor Education and Protection Fund by the Company.

Place: New Delhi

Date: May 27, 2021

For J K V S & Co.  
Chartered Accountants  
Firm Regn No. 318086E  
Sd/  
(SAJAL GOYAL)  
Partner  
Membership No. 523903.  
UDIN: 21523903AAAACH6865

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

(Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of NATIONAL OXYGEN LIMITED on the financial Statements as of and for the year ended March 31, 2021)

We report that:

i) In respect of its fixed assets:

a) According to information and explanations given to us, the Company has maintained proper Fixed Assets records showing full particulars, including quantitative details and situation of 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 to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the company.

ii) As explained to us, physical verification has been conducted by the management, wherever possible, at all its locations at reasonable intervals during the year in respect of inventory of raw materials and finished goods. The discrepancies noticed on physical verification of inventories as compared to book records 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) We have broadly reviewed the books of accounts maintained by Company in respect of product, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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, Goods and service 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 March 31, 2021 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, Goods and Service tax or Cess, on account of any dispute as on March 31, 2021, 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	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	6.69	2004-05 & 2005-06	CESTAT, Southern Bench
Customs Act, 1961	Differential Customs Duty on Import of Second hand Plant (including Interest & Penalty)	88.24	1994-95	CESTAT, Southern Bench
Service Tax	Service Tax on GTA claimed by the Deptt. which is contested by the company	3.86	Apr'2012 to Mar'2013	Madras High Court
Income Tax Act, 1961	Disallowance of expenses	2.09	AY-2012-13	Dy. Commissioner of Income Tax
Income Tax Act, 1961	Disallowance made by the Assessing Officer which are not justified. Also, brought forward Depreciation Loss not fully set off.	35.58	AY 2018-19	CIT (Appeals)
Income Tax Act, 1961	Set off LTCG against Brought forward losses not properly considered, resulting in demand.	110.85	AY 2019-20	Dy. Commissioner of Income Tax

- 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.
- 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) During the year, the Company has made preferential allotment of Compulsorily Convertible Preference Shares by conversion of a portion of the existing unsecured Loan availed and has complied with the provisions of section 42 of the Companies Act, 2013. As per the information and explanations provided to us, the amount raised at the time of availing the said Loan was used for the purposes for which the funds were raised.
- 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;

Place: New Delhi  
Date: May 27, 2021

For J K V S & Co.  
Chartered Accountants  
Firm Regn No. 318086E  
Sd/-  
(SAJAL GOYAL)  
Partner  
Membership No. 523903.  
UDIN: 21523903AAAACH6865

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

(Referred to in paragraph 10(f) of the Independent Auditor's Report of even date to the members of NATIONAL OXYGEN LIMITED on the financial Statements as of and for the year ended March 31, 2021)

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

1. We have audited the internal financial controls over financial reporting of NATIONAL OXYGEN LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

**AUDITOR'S RESPONSIBILITY**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:
- a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
  - b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
  - c. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place:** New Delhi

**Date:** May 27, 2021

**For J K V S & Co.**

**Chartered Accountants**

**Firm Regn No. 318086E**

**Sd/-**

**(SAJAL GOYAL)**

**Partner**

**Membership No. 523903.**

**UDIN: 21523903AAAACH6865**

## NATIONAL OXYGEN LIMITED

CIN : L24111TN1974PLC006819

## Balance Sheet as at 31st March,2021

	Note No.	As at 31/03/2021 Rs. in Lacs	As at 31/03/2020 Rs. in Lacs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipments	2	2,648.18	2,901.20
Capital Work-in-Progress	3	6.38	2.65
Intangible Assets	4	0.02	0.02
<b>Financial Assets :</b>			
i) Investments	5	20.89	18.70
i) Other financial Assets	6	51.04	77.92
<b>Total Non Current Assets</b>		<b>2,726.51</b>	<b>3,000.49</b>
<b>Current Assets</b>			
Inventories	7	63.15	45.85
<b>Financial Assets:</b>			
i) Trade Receivables	8	500.09	490.25
ii) Cash and Cash Equivalents	9	2.00	2.73
iii) Other Bank Balances	10	99.39	102.39
iv) Other Financial Assets	11	130.51	119.40
Current Tax Assets (Net)	12	10.05	7.83
Other Current Assets	13	66.49	53.32
<b>Total Current Assets</b>		<b>871.68</b>	<b>821.77</b>
<b>Total Assets</b>		<b>3,598.19</b>	<b>3,822.26</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
i) Equity Share Capital	14	480.23	480.23
ii) Other Equity	15	(40.92)	(1,133.99)
<b>Total Equity</b>		<b>439.31</b>	<b>(653.76)</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities :</b>			
i) Borrowings	16	1,917.25	3,265.61

ii) Other Financial Liabilities	17	86.78	89.45
Deferred Tax Liabilities (Net)	18	-	-
Provisions-Non Current	19	63.55	69.46
<b>Total Non-Current Liabilities</b>		<b>2,067.58</b>	<b>3,424.52</b>
<b>Current Liabilities</b>			
Financial Liabilities :			
i) Borrowings	20	355.05	586.33
ii) Trade Payables	21		
-Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		341.46	336.91
Other Current Financial			
iii) Liabilities	22	361.17	119.67
Other Current Liabilities	23	24.98	8.59
Provisions	24	8.64	-
<b>Total Current Liabilities</b>		<b>1,091.30</b>	<b>1,051.50</b>
<b>Total Liabilities</b>		<b>3,158.88</b>	<b>4,476.02</b>
<b>Total Equity and Liabilities</b>		<b>3,598.19</b>	<b>3,822.26</b>
<b>Significant Accounting Policies</b>	'1'		

The accompanying notes are an integral part of the financial statements  
As per our report of even date  
annexed.,

For J K V S & Co.  
Chartered Accountants  
Firm Registration 318086E

Sd/-  
(SAJAL GOYAL)  
Partner  
Membership No. 523903

Place : Chennai  
Date : 27th May 2021

Sd/-  
N.APARNA  
Company  
Secretary  
M.No.A63263

P.RAMALINGA  
SRINIVASAN  
Chief Financial  
Officer

For and on behalf of the Board  
for NATIONAL OXYGEN LTD

Sd/-  
G.N. SARAF  
Chairman  
DIN: 00007320

Sd/-  
RAJESH KUMAR SARAF  
Managing Director  
DIN: 00007353

## NATIONAL OXYGEN LIMITED

CIN : L24111TN1974PLC006819

## Statement of Profit and Loss for the year ended 31st March, 2021

	Note No.	31/03/2021	31/03/2020
<b><u>REVENUES</u></b>		Rs. in Lacs	Rs. in Lacs
Revenue from Operations	25	3,976.47	4,393.33
Other Income	26	39.88	26.93
Total Revenues		4,016.35	4,420.26
<b><u>EXPENSES</u></b>			
Cost of Materials Consumed	27	51.64	59.54
Purchases of Stock-in-Trade	28	121.88	37.54
Changes in Inventories	29	17.09	(10.93)
Employee Benefits Expenses	30	302.87	348.94
Power and Fuel	31	2,295.58	2,677.98
Other Expenses	32	560.16	640.60
Total Expenses		3,349.22	3,753.67
<b>Profit before interest, tax, depreciation and amortisation</b>		667.13	666.59
Finance Costs	33	448.41	480.34
Depreciation and Amortization	34	328.24	341.40
<b>Profit/ (Loss) before Tax</b>		(109.52)	(155.15)
Tax Expenses:	35		
Current Tax (Including for earlier years)		-	-
Deferred Tax		-	1.37
<b>Profit/ (Loss) for the year</b>		<b>(109.52)</b>	<b>(156.51)</b>
<b><u>Other Comprehensive Income</u></b>			
<b>Items that will not be reclassified to Profit &amp; Loss</b>			
Remeasurement of Post employment benefit obligations		(2.59)	3.54
<b>Other Comprehensive Income for the year, net of tax</b>		<b>(2.59)</b>	<b>3.54</b>
<b>Total Comprehensive Income / (Loss) for the year</b>		<b>(106.93)</b>	<b>(160.06)</b>

<b>Earnings per Equity Share:</b>			
Basic (₹)		(2.28)	(3.26)
Diluted (₹)		(2.28)	(3.26)

The accompanying notes are an integral part of the financial statements  
As per our report of even date  
annexed.,

For J K V S & Co.  
Chartered Accountants  
Firm Registration 318086E

For and on behalf of the Board  
for NATIONAL OXYGEN LTD

Sd/-

(SAJAL GOYAL)  
Partner  
Membership No. 523903

Place : Chennai  
Date : 27th May 2021

Sd/-

N.APARNA  
Company  
Secretary  
M.No.A63263

Sd/-

P.RAMALINGA  
SRINIVASAN  
Chief Financial  
Officer

Sd/-

G.N. SARAF  
Chairman  
DIN: 00007320

Sd/-

RAJESH KUMAR SARAF  
Managing Director  
DIN: 00007353



## NATIONAL OXYGEN LIMITED

CIN : L24111TN1974PLC006819

## Cash Flow Statement for the year ended 31st March 2021

A. CASH FLOW FROM OPERATING ACTIVITIES	Year ended 31/03/2021	Year ended 31/03/2020
	Rs. in Lacs	Rs. in Lacs
Profit/ (Loss) before Tax	(109.52)	(155.15)
Adjustment for :		
Finance Costs	448.41	480.34
Depreciation and Amortization Expenses	328.24	341.40
Remeasurement of Post employment benefit obligations	2.59	(4.92)
(Profit) / Loss on sale of Fixed Assets (Net)	(2.88)	(3.76)
Interest & Dividend Income	(8.36)	(11.54)
Operating profit before working capital changes	658.48	646.37
<u>Changes in working Capital:</u>		
Inventories	(17.31)	(19.39)
Trade and other Receivables	(7.23)	(156.56)
Long Term Liabilities and Provisions	(8.58)	12.66
Trade and other Payables	29.57	1.39
Cash generation from Operations	654.93	484.47
Payment of Direct Taxes	(2.22)	(1.41)
<b>Net Cash generated/ (used) - Operating Activities</b>	<b>652.71</b>	<b>483.06</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(78.96)	(52.82)
Purchase of Investment	(2.18)	(2.20)
Sale of Fixed Assets	2.88	4.72
Interest Received	8.36	11.54
Dividend Received	0.00	0.00
<b>Net Cash Generated/ (Used) - Investing Activities</b>	<b>(69.90)</b>	<b>(38.75)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Compulsorily Convertible Preference Shares allotted	-	-
Proceeds from Long-term Borrowings	417.48	225.92
Repayment of Long-term Borrowings	(324.33)	(211.92)
Proceeds/ (Repayment) of Short-term Borrowings (Net)	(231.28)	36.02
Finance Cost Paid	(448.41)	(480.34)
<b>Net Cash Generated/ (Used) - Financing Activities</b>	<b>(586.54)</b>	<b>(430.32)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>(3.73)</b>	<b>13.99</b>
Add : Opening Cash and Cash Equivalents	105.12	91.13
Closing Cash and Cash Equivalents	<b>101.39</b>	<b>105.12</b>

Reconciliation of Financial Liabilities - Borrowings	2020-21	2019-20
Opening balance	3,859.14	3,809.12
Add: Proceeds of borrowings	417.48	261.94
Less: Repayment of borrowings	(555.61)	(211.92)
<u>Add / (Less) Non-cash movement</u>		
Conversion of Loan into Compulsorily Convertible Preference Shares	(1,200.00)	-
	<b>2,521.01</b>	<b>3,859.14</b>

**Notes:**

- The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash flows" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- Figures have been regrouped/ rearranged wherever necessary.

The accompanying notes are an integral part of the financial statements  
As per our report of even date annexed.,

For J K V S & Co.

Chartered Accountants

Firm Registration 318086E

Sd/-

(SAJAL GOYAL)

Partner

Membership No. 523903

Place : Chennai

Date : 27th May 2021

Sd/-

N.APARNA  
Company  
Secretary

M.No.A63263

Sd/-

P.RAMALINGA  
SRINIVASAN  
Chief Financial  
Officer

For and on behalf of the Board

for NATIONAL OXYGEN LTD

Sd/-

G.N. SARAF

Chairman

DIN: 00007320

Sd/-

RAJESH KUMAR SARAF

Managing Director

DIN: 00007353

## NATIONAL OXYGEN LIMITED

CIN : L24111TN1974PLC006819

## A. Equity Share Capital :

a) Particulars	Note No.	Numbers	Rs. in Lacs
Equity Shares outstanding as at 01-04-2019	14	48,02,271	480.23
Changes in Equity Share Capital		-	-
Equity Shares outstanding as at 31-03-2020		48,02,271	480.23
Changes in Equity Share Capital		-	-
Equity Shares outstanding as at 31-03-2021		48,02,271	480.23

## B. Other Equity :

Particulars	Reserves & Surplus				Other Comprehensive Income	Equity Component of Compounding Financial Instrument	Total - Other Equity
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans		
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs		Rs. in Lacs
<b>Balance as at 01-04-2019</b>	40.00	778.39	499.73	(2,299.46)	7.40	-	(973.94)
Profit/ (Loss) for the year	-	-	-	(156.51)			(156.51)
Remesaurments of Gain / (Loss)					(3.54)		(3.54)
<b>Balance as at 31-03-2020</b>	<b>40.00</b>	<b>778.39</b>	<b>499.73</b>	<b>(2,455.97)</b>	<b>3.86</b>	<b>-</b>	<b>(1,133.99)</b>
<b>Balance as at 01-04-2020</b>	40.00	778.39	499.73	(2,455.97)	3.86	-	(1,133.99)
Profit/ (Loss) for the year				(109.52)			(109.52)
Remesaurments of Gain / (Loss)					2.59		2.59
Compulsorily Convertible Preference Shares issued during the year (Refer Note 15)						1,200.00	1,200.00
<b>Balance as at 31-03-2021</b>	<b>40.00</b>	<b>778.39</b>	<b>499.73</b>	<b>(2,565.49)</b>	<b>6.45</b>	<b>1,200.00</b>	<b>(40.92)</b>

**Notes to the Financial Statements****Corporate information:**

National Oxygen Limited (CIN : L24111TN1974PLC006819) is a Listed company domiciled in India and was incorporated on 23rd December 1974 and is governed under the Companies Act,2013. The company is primarily engaged in manufacturing of Industrial Gases.

The financial statements of the Company for the year ended 31st March 2021 were authorised for issue by the Board of Directors at their meeting held on 27th May 2021.

**1. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF ACCOUNTING**

These policies have been consistently applied to all the years presented, unless otherwise stated.

**1.1. Basis of Preparation :****a) Compliance with Ind AS:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 , read with the Companies (Indian Accounting Standards) Rules,2015 and other relevant provisions of the Act as applicable.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The Company has prepared these Financial Statements as per the format prescribed in Schedule III to the Companies Act, 2013.

**b) Historical cost convention :**

The financial statements have been prepared on accrual basis under the historical cost basis, except for certain assets and liabilities which are measured at their fair value as indicated in the respective accounting policy.

**1.2 Use of judgements and estimates**

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognized in the financial statements are:

Measurement of defined benefit obligations;  
Useful life and residual value of Property, plant and equipment and intangible assets;  
Provision and employee liability for litigation

### 1.3 New Standards/ Amendments to existing Standards issued but not yet adopted :

The MCA has not notified any new Accounting Standards / amendments to existing Accounting Standards which are issued but not yet effective upto the date of issuance of the Company's Financial Statements, to the extent applicable to the company.

### 1.4 Significant Accounting Policies

#### A. PROPERTY PLANT & EQUIPMENT:

- a) Property, Plant & Equipments are stated at cost net of Cenvat ,Value added tax, Goods and service Tax etc, depreciation and impairment. Cost of acquisition includes duties, taxes, incidental expenses, erection and 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.

#### B. DEPRECIATION:

- a) 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.

#### C. INTANGIBLE ASSETS :

Intangible Assets are stated at cost less accumulated amortization and impairment, if any

#### 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. INVESTMENTS AND OTHER FINANCIAL ASSETS:

##### Classification:

The Investments and other financial assets have been classified as per Company's business model for managing the financial assets and the contractual terms of the cash flows.

##### Measurement :

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to

account for the equity investment at fair value through other comprehensive income or at fair value through profit and loss.

**Equity Instruments:**

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present the fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Impairment of financial assets :**

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, as permitted by Ind AS 109 Financial Instruments, the expected lifetime losses are recognised at the time of initial recognition of the receivables.

**Derecognition of financial assets :**

A financial asset is derecognised only when :

- The company has transferred the rights to receive cash flows from the financial asset, or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

**F. 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

**G. 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.

**H. EMPLOYEE BENEFITS:**

**Defined Contribution Plans:** Company's contribution to Provident Fund and other funds are charged to the statement of Profit & Loss during the period during which the employee renders the related service. The Company has no obligations other than the contributions payable to the respective trusts.

**Defined Benefit plans :** Gratuity liability is provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method in accordance with the Indian Accounting Standard 19. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity periods approximated to the terms of the related obligations.

Remeasurments gains and losses arising from experience adjustments and changes in actuarial assumption are recognised in the period in which they occur, directly in other comprehensive income , which is included in retained earnings in the statement of changes in equity and in the balance sheet.

I. REVENUE RECOGNITION :

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018 , whereby the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

i) Sale of goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

ii) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

J. 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.

K. TAXES ON INCOME :

a) Current Income Tax is provided as per the provisions of the Income tax Act 1961.

b) Deferred Tax is provided using the Liability method , providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes . The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities , using tax rates enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

L. EARNINGS PER SHARE :

Basic earnings per share:

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and , the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

M. 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.

N. 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.

3 Capital Work-in-Progress

**Capital Work-in-Progress - Property Plant & Equipment**  
Year ended 31st March 2021

	Tangible Assets
	(Rs. in Lacs)
Cost as at April 1, 2019	2.65
Additions	-
Less: Capitalised	-
As at 31st March, 2020	2.65
Additions	3.74
Less: Capitalised	-
As at 31st March, 2021	6.38



NATIONAL OXYGEN LIMITED  
Notes to the Financial Statements (Contd..)

2 Property Plant & Equipment

Summary of cost and net carrying amount of each class of Property Plant & Equipment are given below:

Property Plant & Equipment	(Rs. in Lacs)									
	Freehold Land	Buildings	Plant and Equipment	Furniture & Office Equipment	Cylinders	Vehicles	(i) Total Property Plant & Equipment	(ii) ROU Assets - Leasehold		
<b>Gross Carrying Amount</b>										
Cost as at April 1, 2019	23.08	825.13	4,887.44	94.18	593.35	81.78	6,504.96	84.29		
Additions	-	-	52.45	0.37	-	-	52.82	-		
Disposals / Adjustments	-	-	-	-	4.65	18.87	23.52	-		
As at 31st March, 2020	23.08	825.13	4,939.89	94.55	588.70	62.91	6,534.26	84.29		
Additions	-	-	3.35	2.80	-	69.08	75.22	-		
Disposals / Adjustments	-	-	-	-	-	-	-	-		
As at 31st March, 2021	23.08	825.13	4,943.24	97.35	588.70	131.98	6,609.48	84.29		
<b>Accumulated Depreciation</b>										
As at April 1, 2019	-	245.36	2,523.64	81.39	468.63	52.33	3,371.35	27.15		
Additions	-	22.10	295.41	2.70	13.20	3.41	336.82	4.59		
Disposals / Adjustments	-	-	-	-	4.65	17.91	22.56	-		
As at 31st March, 2020	-	267.46	2,819.05	84.08	477.18	37.83	3,685.61	31.73		
Additions	-	-	-	-	13.20	6.49	323.65	4.59		
Disposals / Adjustments	-	22.10	279.10	2.77	-	-	-	-		
As at 31st March, 2021	-	289.56	3,098.15	86.85	490.38	44.32	4,009.26	36.32		
<b>Net Carrying Amount</b>										
As at 31st March, 2020	23.08	557.66	2,120.84	10.47	111.52	25.07	2,848.65	52.55		
As at 31st March, 2021	23.08	535.56	1,845.09	10.50	98.32	87.67	2,600.22	47.97		

Note : Plant & Equipment includes Spares having gross value of Rs.147.58 Lacs, capitalised in accordance with the Indian Accounting Standard (Ind AS-16).

## 4 Intangible Assets

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

Year ended 31st March,2021

Gross Carrying Amount	(Rs. in Lacs)
Cost as at April 1, 2019	33.64
Additions	-
Disposals / Adjustments	-
<b>As at 31st March,20</b>	<b>33.64</b>
Additions	-
Disposals / Adjustments	-
<b>As at 31st March,21</b>	<b>33.64</b>
<b>Amortization</b>	
As at April 1, 2019	33.62
Additions	-
Disposals	-
<b>As at 31st March,20</b>	<b>33.62</b>
Additions	-
Disposals	-
<b>As at 31st March,21</b>	<b>33.62</b>
<b>Net Carrying Amount</b>	
As at 31st March, 2020	0.02
As at 31st March, 2021	0.02

## 5 Investments

	Face value per Unit Fully paid up (Rs.)	As at		31-03-2021	31-03-2020
		31-03-2021 Nos.	31-03-2020 Nos.	Rs. in Lacs	Rs. in Lacs
<b>Investments - Other than Trade</b>					
i. <b>Investments in Equity Instruments</b>					
<b>Unquoted:</b>					
TCP Limited	100	470	470	0.47	0.47
Pondicherry Agro Foods Pvt Ltd	10	9,000	9,000	0.90	0.90
Cauvery Power Trading Chennai Pvt Ltd	10	100000	100000	10.00	10.00
OPG Power Generation Pvt Ltd	10	82300	63300	9.46	7.28
				20.83	18.65
ii. <b>Investments in Government Securities</b>				-	-

<b>Unquoted:</b>				
National Savings Certificate			0.05	0.05
Indira Vikas Patra			0.01	0.01
			0.06	0.06
Aggregate amount of Unquoted Investments			<b>20.89</b>	<b>18.70</b>

		<u>31-03-2021</u> Rs. in Lacs	<u>31-03-2020</u> Rs. in Lacs
<b>6</b>	<b>Other financial Assets</b>		
	Unsecured, Considered Good Security Deposits	51.04	77.92
		<b>51.04</b>	<b>77.92</b>
<b>7</b>	<b>Inventories:</b>		
	Raw Materials	14.03	10.71
	Finished Goods	16.86	33.95
	Stores and Spares	32.27	1.19
		-	-
		<b>63.15</b>	<b>45.85</b>
<b>8</b>	<b>Trade Receivables:</b>		
	Unsecured, Considered Good	500.09	490.25
	Trade Receivables which has significant increase in Credit Risk	-	-
	Trade Receivable -Credit Impaired	96.59	106.08
		<b>596.68</b>	<b>596.33</b>
	<b>Less: Impairment Allowance (Allowance for Bad and Doubtful Debt)</b>		
	Unsecured, Considered Good	-	-
	Trade Receivables which has significant increase in Credit Risk	-	-
	Trade Receivable -Credit Impaired	(96.59)	(106.08)

	<b>Total Trade Receivables</b>	<b>500.09</b>	<b>490.25</b>
<b>9</b>	<b>Cash and Bank Balances: Cash and Cash Equivalents</b>	-	-
	Balance with Banks: Current Accounts	1.12	1.87
	Cash on hand	0.87	0.86
		<b>2.00</b>	<b>2.73</b>
<b>10</b>	<b>Other Bank Balances</b>		
	Balance with Banks: Unpaid Dividend Accounts	-	1.89
	Margin Money Deposit Accounts	99.40	100.50
		<b>99.40</b>	<b>102.39</b>
<b>11</b>	<b>Other Financial Assets</b>		
	Deposit with Government Departments and Others	58.06	67.07
	Advances recoverable in Cash or in kind or for value to be received and/or to be adjusted		
	Advance to Suppliers and Others	72.45	52.33
		<b>130.51</b>	<b>119.40</b>
<b>12</b>	<b>Current Tax Assets (Net)</b>		
	Advance Income Tax & TDS (net of provision)	10.05	7.83
		-	-
		<b>10.05</b>	<b>7.83</b>
<b>13</b>	<b>Other Current Assets</b>		
	Interest Accrued on Deposits	47.46	30.50
	Other Current Assets	19.03	22.82
		<b>66.49</b>	<b>53.32</b>

14	Share Capital	Preference Share Capital		Equity Share Capital	
		Numbers	Rs in Lacs	Numbers	Rs in Lacs
	<b>Authorized Share Capital</b>				
	<b>Equity shares of Rs.10 each, Preference shares of Rs.100.30 each</b>				
	As at 01-04-2019	-	-	50,00,000	500.00
	Increase during the year	-	-	-	-
	As at 31-03-2020	-	-	50,00,000	500.00
	Increase during the year	11,96,410	1,200.00	-	-
	As at 31-03-2021	11,96,410	1,200.00	50,00,000	500.00
	<b>Issued, subscribed and Paid up capital</b>	<b>Numbers</b>	<b>Rs in Lacs</b>	<b>Numbers</b>	<b>Rs in Lacs</b>
	<b>Equity shares of Rs.10 each, Preference shares of Rs.100.30 each (Fully paid up)</b>				
	As at 01-04-2019	-	-	48,02,271	480.23
	Increase during the year	-	-	-	-
	As at 31-03-2020	-	-	48,02,271	480.23
	Increase during the year	11,96,410	1,200.00	-	-
	Less : Preference Shares in the nature of Compounding Financial Instrument disclosed under Other equity (Refer Note 15)		(1,200.00)	-	-
	As at 31-03-2021	11,96,410	-	48,02,271	480.23
<b>A</b>	<b>Movement in Share Capital</b>				
		Preference Share Capital		Equity Share Capital	
		Numbers	Rs in Lacs	Numbers	Rs in Lacs
	Shares outstanding as at 01-04-2019	-	-	48,02,271	480.23
	Changes in Equity Share Capital	-	-	-	-
	Shares outstanding as at 31-03-2020	-	-	48,02,271	480.23
	Changes in Equity Share Capital	11,96,410	1,200.00	-	-
	Shares outstanding at 31-03-2021	11,96,410	1,200.00	48,02,271	480.23
<b>B</b>	<p>i) 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.</p> <p>ii) During the year the Company has issued 8.25% Non Cumulative Compulsory Convertible Preference shares (CCPS) which shall hold preferential right to Dividend and shall rank pari passu with existing equity shares upon conversion. These CCPS have been issued by way of conversion of a portion of outstanding Loan amount due to Loan creditors .</p>				

C Detail of Equity shareholders holding more than 5 % shares of the Company as on reporting date are given below:

Name of Equity shareholder	As at 31st Mar 2021		As at 31st Mar 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1. Rajesh Kumar Saraf	12,04,419	25.08%	12,04,419	25.08%
2. Gajanand Saraf	9,37,608	19.52%	7,94,108	16.54%
3. Sarita Saraf	5,01,809	10.45%	5,01,809	10.45%
4. Saraf Housing Development Pvt.Ltd.	2,52,885	5.27%	2,52,885	5.27%

Detail of Compulsory Convertible Preference shareholders holding more than 5 % shares of the Company as on reporting date are given below:

Name of shareholder	As at 31st Mar 2021		As at 31st Mar 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Saraf Housing Development Pvt Ltd	11,96,410	100%	-	-

D The Company has neither bought back any shares nor issued any bonus shares during five years immediately preceding the Balance Sheet date.

15	Other Equity :	<u>31-03-2021</u>	<u>31-03-2020</u>
		Rs. in Lacs	Rs. in Lacs
	<u>Capital Reserve</u>		
	As per last Account	40.00	40.00
	<u>Securities Premium Account</u>		
	As per last Account	778.39	778.39
	<u>General Reserve</u>		
	As per last Account	499.73	499.73
	Add: Transfer from Statement of Profit & Loss	=	=
		499.73	499.73
	<u>Retained Earnings</u>		
	Opening Balance	(2,455.97)	(2,299.45)
	Add: Profit/ (Loss) for the year	(109.52)	(156.51)
		(2,565.49)	(2,455.97)
	<u>Other Comprehensive Income</u>		

Opening Balance	3.85	7.40
Remeasurement of Post employment benefit obligations net of tax	2.59	(3.54)
	<b>6.44</b>	<b>3.86</b>
<b>Sub total</b>	<b>(1,240.92)</b>	<b>(1,133.99)</b>
<u>Equity Component of Compounding Financial Instrument</u>		
8.25% Compulsorily Convertible Preference Shares of Rs.100.30 each fully paid up (Refer Note 14)	1,200.00	-
<b>Total Other Equity</b>	<b>(40.92)</b>	<b>(1,133.99)</b>
(i) <u>Capital reserve</u>		
Capital Reserve represents amount set aside for specific purpose of capital nature and is not a free reserve available for distribution.		
(ii) <u>General reserve</u>		
Represents accumulated profits set apart by way of transfer from current year Profits or/and Retained Earnings. General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.		
(iii) <u>Securities Premium</u>		
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.		
(iv) <u>Retained Earnings</u>		
Retained Earnings represents the accumulated available profit / (Loss) of the Company including the amounts carried forward from earlier years . These reserve are free reserves which can be utilised for any purpose as may be required.		
(v) <u>Other Comprehensive Income</u>		
Other Comprehensive Income is created in compliance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended.		
(vi) <u>Compulsory Convertible Preference shares (CCPS)</u>		
The Company has issued 8.25% Non Cumulative Compulsory Convertible Preference shares (CCPS) which shall hold preferential right to Dividend and shall rank pari passu with existing equity shares upon conversion. The Equity component of the CCPS has been disclosed as Other Equity.		

16	<b>Borrowings :</b>		
	<b>Secured</b>		
	Term Loans:	-	
	From Banks	-	419.15
	Less Current Portion disclosed under current liabilities	-	123.70
		-	295.44
		-	5.75
	Overdraft from Bank against Tangible Collateral Security (OD TCS)	-	1,229.27
	Less Current Portion disclosed under current liabilities	-	125.00
		-	1,104.27
		-	1,261.32
		-	1,399.71
		-	1,267.07
<b>Unsecured</b>			
Inter Corporate Deposits from Related parties	-	517.54	
	-	1,998.54	
	-	517.54	
	-	1,998.54	
	-	1,917.25	
	-	3,265.61	
(a)	Nature of security for secured borrowings are given below:		
	(i) The 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 Chairman and the Managing Director of the Company The OD TCS Loan is repayable in 120 monthly instalments of Rs.10.42 Lacs each from December 2020 onwards and the rate of interest ranged from 11.05 to 11.95% p.a.		
	(ii) The Working Capital Term Loan (WCTL) under Guaranteed Emergency Credit Line (GECL) is secured by way of extension of charge on entire present and future current assets of the Company and second charge on Fixed Assets of the Company and guaranteed by the Chairman and Managing Director of the Company		
	The WCTL under GECL Scheme is repayable in 36 monthly instalments of Rs.9.93 Lacs starting from June 2021 and the rate of interest was @ 7.65% p.a.		
	(iii) Vehicle Loans availed are secured by hypothecation of the respective vehicles		
17	<b>Other Financial Liabilities</b>		As at
			<u>31-03-2021</u>
			<u>31-03-2020</u>
			Rs. in Lacs
			Rs. in Lacs
	Trade Payables	-	-
	Trade Deposits	86.78	89.45
		86.78	89.45



18	<b>Deferred Tax Liabilities (Net) :</b>		
	Major components of Deferred Tax arising on account of temporary timing differences are given below:		
	<b>Deferred Tax Liabilities</b>		
	Depreciation and Amortization Expenses	431.21	459.79
	Other Timing Differences	-	-
		431.21	459.79
	<b>Deferred Tax Assets</b>		
	Expenses- Provisions Allowable	21.57	20.90
	Carry forward Losses (to the extent of unabsorbed depreciation)	409.64	438.89
	Other Timing Differences	-	-
	431.21	459.79	
<b>Deferred Tax Liabilities- (Asset) (Net) (**)</b>	-	-	
(**) As a matter of Prudence, deferred tax asset has not been recognized in the financial statements			
19	<b>Provisions-Non Current</b>	-	-
	Provision for Employee Benefits	63.55	69.46
	Other Provisions	-	-
		63.55	69.46
20	<b>Borrowings :</b>		
	<b>Secured</b>		
	Loans repayable on demand		
	From Banks	355.05	586.33
		355.05	586.33
	(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 Chairman and Managing Director of the Company		
21	<b>Trade Payables :</b>		
	- Total outstanding dues of micro and small enterprises	-	-
	- Total outstanding dues of creditors other than to micro and small enterprises	341.46	336.91
		341.46	336.91

<b>22</b>	<b>Other Current Financial Liabilities</b> :		
	Current maturities of long-term borrowings	248.70	7.20
	Unpaid Dividend	-	1.89
	Statutory dues Payables	77.10	74.27
	Other Liabilities	35.37	36.32
		<b>361.17</b>	<b>119.67</b>
<b>23</b>	<b>Other Current Liabilities :</b>		
	Customers' Credit Balances and Advances against orders	24.98	8.59
		<b>24.98</b>	<b>8.59</b>
<b>24</b>	<b>Provisions</b>		
	Employee Benefits	8.64	-
		<b>8.64</b>	<b>-</b>
<b>25</b>	<b>Revenue from Operations:</b>	<b>Year ended</b>	
		<b>31-03-2021</b>	<b>31-03-2020</b>
		<b>Rs. in Lacs</b>	<b>Rs. in Lacs</b>
	a) Sale of Products		
	Sale of Industrial Gases	3,933.14	4,367.87
	Sales of other products	1.87	0.99
		3,935.00	4,368.86
	b) Facility Charges- Cylinder holding charges etc	41.47	24.47
	Net Revenue from Operations	<b>3,976.47</b>	<b>4,393.33</b>
	<b>A) Nature of goods and services</b>		
	The following is a description of principal activities separated by reportable segments from which the Company generates its revenue		
	a) The Company is engaged in the manufacturing and trading of Industrial Gases and primarily generates revenue from the sale of Industrial Gases and the same is only the reportable segment of the Company.		
	<b>B) Disaggregation of revenue</b>		
	In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition		

	<b>i) Primary Geographical Markets</b>		
	Within India	3,976.47	4,393.33
	Outside India	-	-
	<b>Total</b>	<b>3,976.47</b>	<b>4,393.33</b>
	<b>ii) Major Products</b>		
	Industrial Gases	3,933.14	4,367.87
	Others	43.34	25.46
	<b>Total</b>	<b>3,976.47</b>	<b>4,393.33</b>
	<b>iii) Timing of Revenue</b>		
	At a point in time	3,976.47	4,393.33
	Over time	-	-
	<b>Total</b>	<b>3,976.47</b>	<b>4,393.33</b>
	<b>iv) Contract Duration</b>		
	Long Term	-	-
	Short Term	3,976.47	4,393.33
	<b>Total</b>	<b>3,976.47</b>	<b>4,393.33</b>
	In terms of the requirement of Ind As -115, revenue is recognized net of discounts, sales returns and Goods and Service Tax.		
<b>26</b>	<b>Other Income:</b>		
	Interest Income		
	On Deposits etc (a)	8.36	11.54
	Gain- (Loss) on foreign currency transactions and translation (Net)	0.68	0.55
	Profit- (Loss) on Fixed Assets sold/ discarded (Net)	2.88	3.76
	Liabilities- Provisions no longer required written back	0.10	9.80
	Miscellaneous Receipts and Claims	27.85	1.27
		<b>39.88</b>	<b>26.93</b>
	(a). Interest Income is gross of tax deducted at source amounting to Rs.0.45 Lac (Previous year Rs. 1.15 Lacs)		
<b>27</b>	<b>Purchase of stock-in-Trade:</b>		
	Add: Purchases	121.89	37.54
		<b>121.89</b>	<b>37.54</b>

28	<b>Cost of Materials Consumed:</b>		
	Opening Stock	10.71	2.23
	Add: Purchases	118.24	68.01
		65.67	70.24
	Less: Closing Stock	14.03	10.71
	<b>51.64</b>	<b>59.54</b>	
	<b>Details of Raw Materials Consumed</b>		
	Calcium Carbide	51.64	59.54
	Others	-	-
		<b>Year ended</b>	
		<b>31-03-2021</b>	<b>31-03-2020</b>
		<b>Rs. in Lacs</b>	<b>Rs. in Lacs</b>
29	<b>Changes in Inventories:</b>		
	<b>Opening Inventories</b>		
	Finished Goods	33.95	23.02
<b>Less: Closing Inventories</b>			
Finished Goods	16.86	33.95	
		<b>17.09</b>	<b>(10.93)</b>
30	<b>Employee Benefits Expenses:</b>		
	Salaries and Wages	274.94	322.89
	Contribution to Provident and other Funds	14.98	17.82
	Employees Welfare Expenses	12.95	13.15
		<b>302.87</b>	<b>353.85</b>
31	<b>Power and Fuel:</b>		
	Power and Fuel	2,295.58	2,677.98
		<b>2,295.58</b>	<b>2,677.98</b>
32	<b>Other Expenses:</b>		
	Consumption of Stores and Spares	42.25	43.39
	Repairs to Buildings	32.67	14.60
	Repairs to Machinery	78.23	41.88
	Rates and Taxes	15.85	4.35
	Rent	12.70	12.00
	Insurance	11.40	4.33

	Auditors' Remuneration - (a)	1.00	1.00
	Travelling & Conveyance Expenses	5.01	15.79
	Freight and Forwarding Expenses (Net)	280.17	422.39
	Bad Debts and Advances written off (Net)	9.49	-
	Less: Adjusted against Provision for doubtful debts	(9.49)	-
	Directors' Remuneration	35.75	39.00
	Directors' Sitting Fees	-	0.33
	Miscellaneous Expenses	45.13	41.53
		<b>560.16</b>	<b>640.60</b>
	(a). Details of Auditors' Remuneration are as follows:		
	Statutory Auditors:		
	Audit Fees	1.00	1.00
	Others	-	-
		1.00	1.00
<b>33</b>	<b>Finance Costs:</b>		
	Interest Expenses	429.55	467.35
	Other Borrowing Costs	18.86	12.99
		<b>448.41</b>	<b>480.34</b>
<b>34</b>	<b>Depreciation and Amortization Expenses:</b>		
	Depreciation	328.24	341.40
	Amortization Expenses	-	-
		<b>328.24</b>	<b>341.40</b>
<b>35</b>	<b>Tax Expenses</b>		
	<b>Current Tax</b>		
	Current Tax for the year	-	-
		-	-
	<b>Deferred Tax</b>		
	Deferred Tax for the year	-	1.37
		-	<b>1.37</b>

### 36. Financial risk management objectives and policies

The Company's financial liabilities comprise loans and borrowings, security deposits, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents.

The Company is exposed to market risk, interest rate risk, credit risk and liquidity risk. The Company's management ensures that the Company's risk activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with the Company's policies and risk objectives. Managing Director, Chief Financial Officer and Business Heads reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

#### Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates.

#### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

#### Trade receivables

Customer credit risk is managed by the respective department subject to Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the company. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date and write off/provision is made. The calculation is based on losses as per historical data.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

		(Rs. in Lacs)	
Trade Receivable	0 to 180 days	> 180 days	Total
31st March 2021	535.75	60.93	596.68
31st March 2020	528.83	67.50	596.33

#### Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior Management. Management monitors the Company's net liquidity position on the basis of expected cash flows.

#### Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Financial Liabilities	Within 12 months	Between 1 and 2 years	Between 2 and 5 years	Between 5 and 10 years	Total
<b>31st March 2021</b>					
<b>Non Derivatives</b>					
Borrowings	603.75	264.63	1,046.09	606.53	2,521.01
Trade Payables / Trade Deposits	341.46	-	86.78	-	428.25
Other current financial liabilities	112.46	-	0.00	-	112.46
<b>Total Non derivative Liabilities</b>	<b>1,057.68</b>	<b>264.63</b>	<b>1,132.88</b>	<b>606.53</b>	<b>3,061.72</b>
<b>Derivatives</b>					
Foreign Exchange Forward Contracts	-	-	-	-	-
<b>Total derivative Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>31st March 2020</b>					
<b>Non Derivatives</b>					
Borrowings	593.53	5.75	3,259.86	-	3,859.14
Trade Payables / Trade Deposits	336.91	-	89.45	-	426.36
Other current financial liabilities	112.47	-	-	-	112.47
<b>Total Non derivative Liabilities</b>	<b>1,042.91</b>	<b>5.75</b>	<b>3,349.31</b>	<b>-</b>	<b>4,397.97</b>
<b>Derivatives</b>					
Foreign Exchange Forward Contracts	-	-	-	-	-
<b>Total derivative Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 37. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and retaining healthy debt equity ratio.

38	Disclosures required by Ind AS 19 on "Employee Benefits":	2020-21	2019-2020
		Rs. in Lacs	Rs. in Lacs
	<b>Particulars</b>		
i)	<b>Net employee benefit expense recognized in the employee cost</b>		
	Current service cost	4.04	3.38
	Net Interest cost / (income) on benefit Liability / (Asset)	4.41	4.26
	<b>Net actuarial( gain) / loss recognized in the year (Other Comprehensive Income)</b>	<b>(2.59)</b>	<b>4.91</b>
	- change in financial assumptions	(0.12)	3.48
	- experience variance (i.e. Actual experience vs assumptions)	(2.47)	1.43

	Net benefit expense	5.86	12.55
	<b>Benefit asset/ liability</b>		
	Present value of defined benefit obligation	72.19	69.46
	Fair value of plan assets	-	-
	<b>Plan asset / (liability)</b>	<b>72.19</b>	<b>69.46</b>
	<i>Current</i>	8.64	-
	<i>Non Current</i>	63.55	69.46
		<b>72.19</b>	<b>69.46</b>
ii)	<b>Changes in the present value of the defined benefit obligation are as follows -</b>		
	Opening defined benefit obligation	69.46	58.31
	Current service cost	4.04	3.38
	Past service cost	-	-
	Interest cost	4.41	4.26
	Re-measurement of defined benefit obligation (Actuarial (gain) / loss)	(2.59)	4.91
	Benefits paid	(3.13)	(1.40)
	Closing defined benefit obligation	<b>72.19</b>	<b>69.46</b>
iii)	Changes in the fair value of plan assets are as follows:		
	Opening fair value of plan assets	-	-
	Expected return	-	-
	Contributions by employer	3.13	1.40
	Benefits paid	(3.13)	(1.40)
	Actuarial gains / (losses)	-	-
	Closing fair value of plan assets	-	-
iv)	<b>The principal actuarial assumptions are as follows</b>		
	Discount rate	6.53%	6.50%
	Salary increase	5.00%	5.00%
	Withdrawal Rates	5.00%	5.00%
v)	<b>Amount incurred as expense for defined contribution plans</b>		
	Contribution to Provident / Pension fund	10.57	12.25
vi)	<b>The major categories of plan assets as a percentage of the fair value of total plan asset are as follows:</b>		



	Investment with Insurer	-	-
vi)	<b>A quantitative sensitivity analysis for significant assumptions is as below:</b> Impact on gratuity defined benefit obligation <b>Discount rate (-0.5/+0.5)%</b>		
	Sensitivity level - Increase	2.00	2.12
	Sensitivity level - Decrease	(1.89)	(1.99)
39	The company's net worth is fully eroded. However, in view of the improved business scenario and the efforts being made, and also the cash profits made during the year as compared to the cash loss in the previous year, the management is of the opinion that the company's financial position would further improve and hence the management has continued to draw up the financial statements on a going concern assumption.		
40	As per the current assessment of the Company, no material impact is expected due to COVID - 19 on the carrying amounts of Property, Plant and Equipment, and current assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of COVID-19 which may be different from that estimated as at the date of approval of these financial statements.		
		<b>As at</b>	
		<b>31/03/2021</b>	<b>31/03/2020</b>
41	<b>Contingent Liabilities and Commitments :</b>	Rs. in Lacs	Rs. in Lacs
A.	<b>Contingent Liabilities</b>		
	(a). Claims against the company not acknowledged as debt:		
	Excise Duty / Service Tax	35.42	35.42
	Customs Duty	88.24	88.24
	Income Tax	148.52	2.09
		-	-
	(b). Outstanding Letters of Credit and Bank Guarantees	334.99	359.73
B.	<b>Capital Commitments</b>		
	(a). Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

## 42. Segment Reporting

Primary Segment Reporting (by Business Segment):

Segments have been identified in line with the Indian Accounting standard on "Operating Segments" (Ind AS-108), taking into account the organisational structure, risk-return profile of individual business and internal reporting system of the Company. Based on this assessment the company has



	2020-21		2019-20	
	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
<b>Transactions for year ended 31st March:</b>				
Sales of Products (Gross)	58.67	-	27.45	-
Purchase of Goods (Gross)	63.87	-	9.09	-
Interest paid	207.38	-	211.03	-
Managerial Remuneration (incl. perquisites)	-	35.94	-	39.22
Director's Sitting Fees	-	-	-	0.33
Rent paid	5.00	7.70	12.00	-
Issue of Compulsory Convertible Preference Shares by the company	1,200.00	-	-	-
<b>Outstanding balances as at 31st March:</b>				
Trade Receivables	-	-	-	-
Trade Payables & Other Liabilities	-	1.02	14.21	-
Investments	0.90	-	0.90	-
Unsecured Loans received	517.54	-	1,998.54	-
Compulsory Convertible Preference Shares (CCPS)	1,200.00	-	-	-

## C. Key Managerial Personnel:

	31/03/2021	31/03/2020
Managerial Remuneration (including perquisites) *	Rs. in Lacs	Rs. in Lacs
*Excluding gratuity, leave encashment payable	35.94	39.61

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

47	Additional information pursuant to paragraphs 5 (viii) of Part II of Schedule III to the Companies Act, 2013 are follows:		
A.	<b>C.I.F. value of imports by the Company</b>	-	
	<b>Raw Materials:</b>	<b>31/03/2021</b>	<b>31/03/2020</b>
		Rs. in Lacs	Rs. in Lacs
	Calcium Carbide	44.58	55.69
	Stores & Spares	-	-

**B. Expenditure in foreign currency during the year:**

C.	Value of Raw Materials and Stores and Spares consumed during the year :	Value (Rs. in Lacs)		Percentage (%)	
		31/03/2021	31/03/2020	31/03/2021	31/03/2020
	Raw Materials :				
	Imported	48.23	56.59	93.40%	95.05%
	Indigenous	3.41	2.95	6.60%	4.95%
		51.64	59.54	100.00%	100.00%
	Stores and Spares:				
	Imported	26.70	-	63.20%	-
	Indigenous	15.55	43.39	36.80%	100.00%
		42.25	43.39	100.00%	100.00%

48. The previous figure has been reclassified- rearranged - regrouped wherever necessary.

For J K V S & Co.

Chartered Accountants

Firm Registration 318086E

Sd/-

(SAJAL GOYAL)

Partner

Membership No. 523903

Place : Chennai

Date : 27th May 2021

Sd/-

N.APARNA

Company Secretary

M.No.A63263

Sd/-

P.RAMALINGA

SRINIVASAN

Chief Financial

Officer

For and on behalf of the  
Board

for NATIONAL  
OXYGEN LTD

Sd/-

G.N. SARAF

Chairman

DIN: 00007320

Sd/-

RAJESH KUMAR SARAF

Managing Director

DIN: 00007353