

<b>Board of Directors</b>	KALLOL DATTA I. SENGUPTA SUBIR DAS VED PRAKASH ASHIM MUKHERJEE R. N. GHOSAL
<b>Secretary</b>	S. BASU
<b>Auditors</b>	DELOITTE, HASKINS & SELLS
<b>Registered Office</b>	'YULE HOUSE' 8, DR. RAJENDRA PRASAD SARANI KOLKATA 700 001

**MUMBAI OFFICE**  
CTS No. 90, Kachvadi  
Govandi  
Deonar  
Mumbai 400 088

**DELHI OFFICE**  
1003, 10th Floor  
Bhikaji Cama Bhawan  
11, Bhikaji Cama Place  
New Delhi 110 066

**CHENNAI OFFICE**  
JVL Plaza  
626, Anna Salai  
Teynampet  
Chennai 600 018

## NOTICE TO MEMBERS

Notice is hereby given that the Annual General Meeting of the members of Tide Water Oil Company (India) Limited will be held at the Williamson Magor Hall of the Bengal Chamber of Commerce & Industry, Royal Exchange, 6, Netaji Subhas Road, Kolkata 700 001 on Friday, the 3rd day of September, 2010 at 10.30 a.m. to transact the following businesses :-

- 1) To consider and adopt the Profit & Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- 2) To declare a dividend for the financial year ended 31st March, 2010.
- 3) To appoint a Director in place of Shri S. Das, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint a Director in place of Shri A. Mukherjee, who retires by rotation and being eligible offers himself for re-appointment.
- 5) To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution :-

“RESOLVED that Messrs. Deloitte Haskins & Sells, Chartered Accountants who have offered their services and who are not disqualified under Section 224(1-B) of the Companies Act, 1956, be appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a fee to be negotiated between the Company and the Auditors and that the Chairman be and is hereby authorised to conclude the matter with the Auditors on behalf of the Company.”

The Register of the Members and the Transfer Register of the Company will remain closed from 28th August, 2010 (Saturday) to 3rd September, 2010 (Friday) both days inclusive.

Registered Office :  
“Yule House”  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Dated : 26th May, 2010

By Order of the Board  
**S. Basu**  
Dy. General Manager (F) & Company Secretary

- Notes :
- (1) A member entitled to attend and vote at this meeting may appoint a Proxy to attend and vote in his stead. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the meeting.
  - (2) Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
  - (3) Messrs. Deloitte Haskins & Sells, the retiring Auditors have offered themselves for re-appointment as auditors of the Company, and accordingly, their name has been proposed for appointment. Section 224 A of the Companies Act, 1956, is applicable to the Company and therefore it is necessary to pass a special resolution for appointment of the Auditors.
  - (4) Dividend that may be declared by the Company will be paid to those members whose names will appear on the Register of Members of the Company on 3rd September, 2010.
  - (5) Messrs. MCS Limited, 77/2A Hazra Road, Kolkata 700 029 has been appointed as Registrars and Share Transfer Agents for both physical and dematerialised shares of the Company.
  - (6) Instructions regarding change of address and / or mandate should be sent so as to reach the Registrar or Registered Office of the Company latest by 3rd September, 2010.
  - (7) Members holding shares in more than one account are requested to intimate to the Registrar of the Company the ledger folios to enable the Company to consolidate the same into one account.
  - (8) Members are encouraged to claim payment of dividend through Electronic Clearing Service (ECS). Members holding shares in dematerialised form should approach the Depository Participant with whom they are maintaining account for change in address, bank mandate, nomination, if any. Other members who have not furnished the details and / or whose details have since changed, are requested to forward the following details immediately under the signature of the named shareholder :

Folio No.	No. of shares
Bank Account No.	Nature of Bank Account
Bank name & address (with pin code)	Nine digit code no. of the Bank & Branch as appearing in the cheque book (with photocopy of a cheque)

- (9) Pursuant to the provision of Section 205 A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 2002, which remained unpaid or unclaimed have been transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrants so far for the financial year ended 31st March, 2003 or any subsequent financial years are requested to make their claim to the Registered Office of the Company. It may be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.
- (10) Pursuant to Clause 49(IV)(G)(i) of the Listing Agreement with the Stock Exchange(s), the details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting are provided as under :-

TIDE WATER OIL CO. (INDIA), LTD.

<b>Name of Director</b>	<b>Shri S.Das</b>	<b>Shri A.Mukherjee</b>
Date of Birth	24th November,1958	5th April,1952
Date of Appointment	2nd August, 2007	27th March, 2008
Expertise in specific functional area	Finance, Legal & Management	Administration & Management
Qualification	Chartered Accountant	Graduate
Shareholding in the Company	Nil	Nil
List of other Public Limited Companies in which directorship held	Hooghly Printing Company Limited	Nil
Chairman / Member of the Committees of the Board across all public companies in which he is a Director	Nil	Nil
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman - Audit Committee Chairman - Remuneration Committee	Member - Audit Committee Member - Committee of Board of Directors

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their Annual Report on the operations of the Company together with audited accounts for the year ended 31st March, 2010.

	Amount (Rupees in crores)	
	Year ended 31st March, 2010	Year ended 31st March, 2009
The Accounts before charging depreciation show a profit of	95.51	49.17
From which has been deducted :		
Depreciation (Net)	6.18	3.39
Provision for Taxation	<u>31.54</u>	<u>18.23</u>
	37.72 57.79	21.62 27.55
To which is added the balance brought forward from the last accounts of	<u>82.53</u>	<u>60.78</u>
	140.32	88.33
The Directors have transferred to General Reserve	<u>5.78</u>	<u>2.75</u>
Leaving a balance of	134.54	85.58
And the Directors now recommend a dividend @ 500% (P.Y. 300%) on the Ordinary Shares amounting to	4.36	2.61
Tax on Dividend	<u>0.72</u>	<u>0.44</u>
Leaving a balance to be carried forward of	<u>129.46</u>	<u>82.53</u>

### PERFORMANCE

Your Company delivered another year of stellar performance and improved its operating margins through continued focus on building its brand equity and presence in 'bazaar' segment. The turnover achieved during the year 2009-10 even surpassed the record turnover as achieved during the previous year by 23.11% to Rs. 751.58 crores as compared to Rs. 610.48 crores in the previous year.

In spite of the financial downturn witnessed by the Indian economy during the first half of 2009, which though had shown indications of some stability in the second half, your Company had been able to notch up an impressive performance throughout the year achieving a year end Profit Before Tax of Rs. 89.33 crores during 2009 -10 as compared to 45.78 crores during the previous year, an increase of around 95.13%.

Notwithstanding the competition in industry, your Company adopted a more customer-oriented approach focusing on creating brand awareness. The 'bazaar' segment had been the major marketing focus during the year which your Company addressed through specially designed campaigns. Your Company had been able to tie-up with a few Original Equipment Manufactures (OEM) with a view to reinforce its value proposition. All these coupled with an unstinted effort to achieve further growth helped your Company to not only accomplish but even surpass the goals set during the year under review.

The Company's plants at Silvassa, Turbhe, Oragadam and Ramkristopur continue to be accredited under ISO9001:2000 quality standards. The Silvassa Plant has also obtained accreditation under ISO 14001 for environmental standards. Oragadam plant, wherein the operations of the Royapuram plant was shifted, became operational during the year under review.

The Company's products primarily marketed under the "VEEDOL" brand name are well established and accepted in the industry for their quality and variety. The products manufactured under the technical collaboration agreement with Nippon Oil Corporation (formerly Mitsubishi Oil Co. Ltd.) and marketed under the "ENEOS" brand name have carved out a niche for themselves in select markets.

### WIND ENERGY PROJECT

During the year under review your Company invested in two windmills with a total capacity of 3 MW for generation of renewable energy at Tamil Nadu. With the Governmental support, the wind energy sector is poised to grow further in future. In view of the same, the investment made by your Company in this sun - rise sector, is envisaged to provide adequate returns in the times to come.

### DIVIDEND

In view of the improved financial results, your Directors have the pleasure in recommending a Dividend of 500% (Rs.50.00 per ordinary share) on the Ordinary Shares for the financial year 2009-10 as against 300%

(Rs.30.00 per ordinary share) for the previous year to the equity shareholders of the Company.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s) in India is presented in a separate section forming part of the Annual Report as Annexure I.

### **CORPORATE GOVERNANCE**

Your Directors affirm their commitment to good Corporate Governance practices. The report on Corporate Governance as per the requirement of the Listing Agreement with the Stock Exchange(s) together with a certificate from the Statutory Auditors of the Company and declaration by the Executive Director forms part of this report as Annexure II.

### **FIXED DEPOSITS**

There were no Fixed Deposits from the Public outstanding with the Company at the end of the financial year.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) in preparation of the accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year;

- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors have prepared the Annual Accounts for the financial year ended 31st March, 2010 on a going concern basis.

### **PARTICULARS OF EMPLOYEES**

Your company has not paid any remuneration attracting the provisions of the Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956. Hence, no information is required to be appended to this report in this regard.

### **CORPORATE WEBSITE**

The website of your company, [www.tidewaterindia.com](http://www.tidewaterindia.com) carries a comprehensive database of information of interest to the stakeholders including the corporate profile, information with regard to products, plants and various depots, financial performance of your Company and others.

### **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and your Company's Articles of Association, Shri S. Das and Shri A. Mukherjee retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

The brief resume / details relating to Shri Das and Shri Mukherjee, are furnished in the Notice of the ensuing Annual General Meeting.

### **AUDITOR AND AUDITORS' REPORT**

Messrs. Deloitte Haskins & Sells, Chartered Accountants retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Members are requested to consider their re-appointment for financial year ending 31st March, 2011

and authorize the Chairman to decide on their remuneration.

The observations made in the Auditors' Report read with the Notes on Accounts are self-explanatory and do not require any further clarification.

A Statement detailing significant Accounting Policies of the Company is annexed to the Accounts.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT-GO**

### **A. Conservation of Energy :**

#### **(a) Energy conservation measures taken :**

Energy conservation during the financial year has accrued as a result of the following steps taken at various locations of the Company.

#### **Silvassa :**

1. Installation of wind driven turbo ventilators.
2. Installation of jet mixtures in blending kettle to improve the product quality and save electrical energy.
3. Installation of Stabinger viscometer to reduce testing time and save electrical energy.

#### **Turbhe :**

1. Installation of 32 nos. five star rated split air - conditioners to save on consumption of electrical energy.

#### **Oragadam :**

1. Installation of Variable Frequency Drive in blending kettle to save power.
2. Installation of capacitors for improving "pf" factor and conservation of energy.

#### **(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :**

None in particular

#### **(c) Impact of measures taken for conservation of energy as well as impact on cost of production :**

The measures undertaken in 'A' above have led to reduction in fuel and electricity consumption.

### **B1. Research and Development (R&D) :**

- i) Government of India, Ministry of Science & Technology, Dept. of Scientific and Industrial Research has accorded recognition to the Company's in-house R&D Unit at Royapuram, Chennai and R&D Unit at Deonar, Mumbai. Both these units are equipped with modern testing facilities essential for petroleum industry.
- ii) The R&D Units have developed a number of new products, which are required for high-tech industries and upgraded the formulations to suit the requirement of industry.
- iii) The R&D Units have plans to develop new products in future.
- iv) Expenditure on R&D :
 

a) Capital	Rs. 1.44 crores (last year Rs. 0.04 crores)
b) Recurring	Rs. 0.83 crores (last year Rs. 0.65 crores)
c) Total	Rs. 2.27 crores (last year Rs. 0.69 crores)
d) Total R & D Expenditure as percentage of total turnover	0.30% (last year 0.11%)

### **B2. Technology Absorption, Adaptation and Innovation :**

- i) The Company had entered into a technical collaboration agreement with Nippon Oil Corporation (formerly Mitsubishi Oil Co. Ltd.), Japan, for manufacture of hi-tech lubricants. The product formulations received from collaborator have been utilised for manufacture of such products.
- ii) With the absorption and adoption of above technical know-how through collaboration, the Company has been able to produce quality products in India.

iii) Information regarding imported technology :

- a) Technology imported from Nippon Oil Corporation (formerly Mitsubishi Oil Co. Ltd.), Japan for manufacture of high-tech lubricants.
- b) Year of import : 1993-94 (agreement renewed last in 2005-06 for 5 years)
- (c) Technology has been partially absorbed.
- (d) Absorption of technology is continuing in respect of all grades of lubricants and is expected to be completed over the period of agreement.

**ACKNOWLEDGEMENT**

The Board of Directors would like to place on record their appreciation of the support and assistance received from the Government of India and the State Government. The Directors are thankful to the Company's Bankers/Shareholders/ all other Stakeholders and the esteemed customers for their continued support.

The Board deeply appreciates the commitment and the invaluable contribution of all the employees towards the satisfactory performance of your Company.

**C. Foreign Exchange Earnings :**

Foreign Exchange Earnings during the year under review was Rs. 0.40 crores (last year Rs. 0.49 crores) while Foreign Exchange Out-go was Rs. 51.56 crores (last year Rs. 55.61 crores).

Kolkata  
26th May, 2010

On behalf of the Board  
**Kalol Datta**  
Chairman



**ANNEXURE I**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**Industry Structure & Development**

The Indian lubricant industry entered 2009 with significant negative momentum, which continued during the first half of the year, but gradually recovered during the second half. With the change in consumption patterns focus is now on various marketing drives such as fuel economy improvements, engine protection and long life etc. The raw material prices though softer during the first half of the year, eventually increased during the second half.

With the rise in the demand of the passenger car to the extent of 20% on year-on-year basis and with the advent of the multinational car manufacturers in the Indian market, it is likely that this sector will grow in leaps and bounds in times to come. Therefore, lubricant consumption is projected to grow robustly for passenger cars. Your Company is well positioned to take advantage of the opportunity with its well diversified basket of products.

With increase in the income levels and advent of global automobile manufacturers in the Indian market, the lubricant industry is expected to grow steadily in the coming years.

**Opportunities & Threats**

In spite of the onset of the recession during the previous year, the Indian economy recovered during the year 2009- 10 and this growth momentum is expected to further accelerate in future. This is expected to stimulate demand growth and have a positive impact on lubricant demand. The Company has a wide range of excellent products in different segments under its umbrella brand "VEEDOL". This is supported by an elaborate and extensive network of dedicated distributors, dealers and consignment depots across the country.

Though the automotive/industrial oils and industrial/ automotive greases marketed under the "VEEDOL" brand name are well established in the market, the Company's various other sub-brands such as Prima, Turbo and Take Off have also been able to create a goodwill in the market for their quality.

The various Loyalty Programmes with the dealers and the retailers have strengthened the marketing and distribution network of the Company.

However, with the rise in the base oil prices and advent of technology changes, the margins are expected to be impacted and the volume growth may remain below growth in vehicle population.

**Segment wise performance**

1) Oils & Greases

In spite of the challenging economic environment, the turnover of your Company increased by 23.11% and the operating profits also increased by 95.13%.

2) Wind Power

With a view to generate clean energy, the Company made investments in 2(two) windmills with a total capacity of 3MW. During the year, your company made a capital expenditure of Rs 17.42 crores in this regard. This investment is expected to yield adequate returns in future.

It is expected that cost of power generated from fossil fuels would increase in future and cost of wind energy may become more competitive. In view of the above your Company has made an initial foray in this domain.

### **Outlook**

With regard to the current year your Directors expect the Company to continue its satisfactory performance as in the previous year. Given your Company's brand salience, sound R&D set up, innovative business plan and wide distribution network, it is expected to meet the expectation of the stakeholders in times to come.

With an overall growth in the Indian economy, the growth in lubricating industry is expected to remain healthy. Accordingly, it is anticipated that the Company will continue to grow in future.

Wind energy, with an average growth rate of 30% globally, is the fastest growing source of renewable energy in the world. Wind Energy has been proven to be economically viable and clean source for generating grid quality electrical power and therefore this sector is projected to grow in future. Since the Company has invested in two windmills for generation of electrical energy, it is expected to give good returns in future.

### **Risk & Concerns**

Apart from normal risks applicable to an industrial undertaking, the Company does not foresee any serious area of concern.

### **Internal Control System**

The Company has proper and adequate systems of internal control.

### **Financial Performance**

The details of financial performance of the Company are appearing in the Balance Sheet and the Profit & Loss Account for the year. During the year, sales volume has increased by 21.90%, profits have risen by 95.13%.

### **Human Resources**

During the year employer/employee relationships remained cordial.

Kolkata  
26th May, 2010

On behalf of the Board  
**Kallol Datta**  
Chairman

## ANNEXURE II

## CORPORATE GOVERNANCE REPORT

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company has been following the principles of corporate governance over the years by placing emphasis on transparency, accountability and integrity so as to enhance value of all stakeholders namely employees, shareholders, customers and creditors.

Your Company is tirelessly striving to achieve heights of excellence by adhering to best governance and disclosure policy as envisaged in terms of Clause 49 of the Listing Agreement with the Stock Exchange(s) relating to Code of Corporate Governance as applicable from 31st December, 2005. Your Company is complying with all provisions and the details of such compliance are outlined below :

**BOARD OF DIRECTORS**

*Composition, Category of Directors, their other directorships and the membership of various committees as on 31st March, 2010.*

The Board of Directors comprises of an Executive Director and five Non-Executive Directors, out of whom 3 are independent.

Details of the Board of Directors as on 31st March, 2010 are given below :

Name	Business Relation	Category	Other Directorship in Public Ltd. Companies incorporated in India*	Other Committee # position held	
				As Chairman	As Member
Shri K. Datta	Chairman	Non-Executive	10	–	–
Shri R.N.Ghosal	Director	Executive	2	–	–
Shri I. Sengupta	Director	Non-Executive	9	–	–
Shri S. Das	Director	Non-Executive & Independent	1	–	–
Shri A. Mukherjee	Director	Non-Executive & Independent	–	–	–
Shri Ved Prakash	Director	Non-Executive & Independent	3	–	–

\* Excluding directorships in private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956.

# only the three committees, viz. the Audit Committee, the Remuneration Committee and the Shareholders' Grievance Committee are considered.

None of the existing Directors hold any equity shares in the Company.

*Number of Board Meetings, attendance at Board Meetings and at previous Annual General Meeting.*

There were 6 meetings of the Board of Directors held during the year 2009-10 on 16th June, 2009, 29th July, 2009, 14th September, 2009, 29th October, 2009, 3rd December, 2009 and 5th February, 2010.

Attendance Record Name of Director	No. of Board Meetings attended	Annual General Meeting on 14th September, 2009
Shri K. Datta	6	Yes
Shri. R.N. Ghosal	4	Yes
Shri I. Sengupta	5	Yes
Shri S. Das	6	Yes
Shri Ved Prakash	5	Yes
Shri A. Mukherjee	6	Yes

Note : Shri R.N. Ghosal joined on 29th July, 2009  
Shri Ved Prakash joined on 16th June, 2009

#### **AUDIT COMMITTEE**

##### **Terms of Reference, Composition, Name of Members and Chairman :**

The terms of reference of the Audit Committee of the Company include the powers as referred to in subparagraph (C) of paragraph II of Clause 49 of the Listing Agreement and the role as stipulated in subparagraph (D) of paragraph II of Clause 49 of the Listing Agreement of the Company with the Stock Exchange(s). The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer shareholder queries.

The composition of Audit Committee as at 31st March, 2010 was as under:

Name of Director	Designation
Shri S. Das	Chairman
Shri A. Mukherjee	Member
Shri Ved Prakash	Member

Note : All the above Directors are non-executive. All the members of the Audit Committee are independent as envisaged in Clause 49 of the Listing Agreement with the Stock Exchange(s).

Shri. S Das is having expert knowledge in financial and accounting matters. Other Directors are financially literate.

The Executive Director and Dy.General Manager (Finance) and Company Secretary remained present at the meetings of the Audit Committee. The Company Secretary acts as Secretary to the Audit Committee.

The Audit Committee invites, as and when it considers appropriate, the external auditors of the Company to be present at the meetings of the Committee. The Internal Auditor also attends the meetings as and when required.

There were 4 meetings of the Audit Committee held during the year on 16th June, 2009; 29th July, 2009; 29th October, 2009 and 28th January, 2010.

The attendance at meetings of the Committee was as under :

Name of Director	Designation	No. of meetings attended during 2009-10
Shri S. Das	Chairman	4
Shri A. Mukherjee	Member	4
Shri Ved Prakash	Member	3

Note : Shri Ved Prakash joined on 16th June, 2009

### REMUNERATION COMMITTEE

The role of the Remuneration Committee primarily include the following :

1. Examining and suggesting the remuneration policy for Executive Directors.
2. Examining, reviewing and modifying the Human Resource Development Policy including all personnel related matters.

All the members of the Remuneration Committee are Non-Executive Directors and the Chairman is independent. The composition of Remuneration Committee as on 31st March, 2010 was as under :

Name of Director	Designation
Shri S. Das	Chairman
Shri I. Sengupta	Member
Shri Ved Prakash	Member

Note : Shri Ved Prakash joined on 16th June, 2009

Two meetings of the Remuneration Committee were held during the year 2009-10 on 16th June, 2009 and 29th July, 2009, which were attended by Shri S.Das, Shri I.Sengupta and Shri Ved Prakash.

### Remuneration Policy

#### Executive Directors

The Company pays remuneration by way of salary, allowances, perquisites and commission to the Executive Director. The overall remuneration is proposed by the Committee and put up to the Board of Directors where it is approved and referred to the shareholders at the General Meeting for approval. The Commission is payable in line with the provisions of Sections 198 and 309 of the Companies Act, 1956.

The details of the remuneration paid to Shri R.N.Ghosal, Executive Director during the period 29th July, 2009 to 31st March, 2010, are given below :

Particulars	Remuneration Paid (Rs.in Lakhs)
a. All elements of remuneration Package i.e Salary, Perquisites etc.	15.19
b. Commission	3.37
	18.56

- c. The agreement with Shri R.N. Ghosal, Executive Director is for a period of 4 years with effect from 29th July, 2009 or upto the date of his superannuation, whichever is earlier. The appointment is terminable on 3(three) calendar month's notice on either side.

#### Other Staff

The Company pays remuneration by way of salary, allowances, perquisites and performance incentives. The package is based on industry norms.

#### Remuneration to Directors

During the year the following remuneration was paid to Non-Executive Directors :

Name of Director	Sitting Fees paid/payable (Rs.)
Shri K. Datta	44,000/-
Shri I. Sengupta	49,000/-
Shri S. Das	60,000/-
Shri A. Mukherjee	64,000/-
	<u>2,17,000/-</u>

Remuneration of Non-Executive Directors are approved by the Board of Directors. Remuneration of the Non-Executive Directors are paid as per directions given by the concerned Directors and recorded in the minutes of the Board Meetings. Apart from the above, the Non-Executive Directors have no pecuniary relationship with the Company in their personal capacity.

#### Retirement policy of Directors

As per the present policy the Executive Chairman and Directors retire at the age of 58 years and the Non-Executive Chairman and Directors retire at the age of 65 years. This is in line with the policy adopted by the Andrew Yule Group of Companies.

#### CODE OF CONDUCT

The Board of Directors have laid down a Code of Conduct for all the members of the Board of Directors and senior management of the Company. The Code of Conduct has been posted on the website of the Company.

The certificate regarding compliance with the Code of Conduct is given separately.

#### COMMITTEE OF DIRECTORS

This Committee has been functioning for a long period of time and has been inter alia delegated the following powers by the Board of Directors :

1. general powers of management
2. granting of loans to employees
3. borrowing of monies on behalf of the Company
4. investing of funds of the Company
5. sale of fixed assets
6. approving of capital expenditure
7. appointment, promotion, etc. of employees
8. approving transfer/transmission/re-materialisation of shares
9. redressal of shareholder/investor grievance

This Committee has also been carrying out the job of Shareholder's Grievance Committee.

The present composition of the Committee is as under :

Name of Director	Designation
Shri K. Datta	Member
Shri I. Sengupta	Member
Shri A. Mukherjee	Member

There were 7 meetings of the Committee held during the year on 3rd April, 2009; 17th June, 2009; 29th July, 2009; 17th August, 2009; 23rd September, 2009; 28th January, 2010 and 5th February, 2010.

The attendance at meetings of the Committee was as under :

Name of Director	Designation	No. of meetings held and attended during 2009-2010
Shri K. Datta	Member	7
Shri I. Sengupta	Member	7
Shri A. Mukherjee	Member	7

#### SHAREHOLDER'S GRIEVANCE COMMITTEE

The matters relating to share transfers, redressal of shareholder/investor grievances are being looked after by the "Committee of Directors", the composition and role whereof are mentioned above. The delay in redressal of grievances of investors on issues like non-receipt of declared dividends, transfer of shares are informed to the Committee. The Company received 7 (seven) complaints during the financial year all of which were replied/resolved to the satisfaction of shareholders/investors. No share transfer was lying pending as on 31st March, 2010.

Shri S. Basu, the Company Secretary is the Compliance Officer of the Company.

#### GENERAL BODY MEETINGS

The date, time and venue of the last three AGMs of the Company were as under :

Financial year ended	Day & Date	Time	Venue
31.3.2007	28th August, 2007	11 a.m.	Bengal Chamber of Commerce & Industry, Kolkata
31.3.2008	10th September, 2008	10.30 a.m.	
31.3.2009	14th September, 2009	10.30 a.m.	

All the resolutions set out in the respective Notices were passed by the Shareholders. No Special Resolution requiring a postal ballot was placed before the last Annual General Meeting of the Company. Similarly, no Special Resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting of the Company.

**POSTAL BALLOT**

During the year, the following Special Resolutions contained in the Postal Ballot Notice dated 14th September, 2009 were passed by the shareholders through Postal Ballot. The Postal Ballot process was undertaken as per the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001

The Postal Ballot Notice and accompanying documents were despatched to shareholders under Certificate of Posting. A Calendar of Events along with the Board Resolution was submitted to the Registrar of Companies, West Bengal.

The Board appointed Shri Manoj Prasad Shaw, Company Secretary in Practice, as Scrutinizer to conduct the Postal Ballot process in a transparent manner. Details of voting pattern were as under :

Particulars	Resolution u/s 17(1) of the Companies Act, 1956 as per Postal Ballot notice dated 14th September, 2009			Resolution u/s 149(2A) of the Companies Act, 1956 as per Postal Ballot Notice dated 14th September, 2009		
	No. of Postal Ballot Forms	No. of Shares	% of total paid up Equity Capital	No. of Postal Ballot Forms	No. of Shares	% of total paid up Equity Capital
Total Postal Ballot forms received	227	552455	63.4131	227	552455	63.4131
Less: Invalid Postal Ballot Forms (as per register)	8	609	0.0699	8	609	0.0699
Net valid Postal Ballot Forms (as per register)	219	551846	63.3432	219	551846	63.3432
Postal Ballot forms with assent for the Resolution	217	551835	63.3419	217	551835	63.3419
Postal Ballot forms with dissent for the Resolution	2	11	0.0013	2	11	0.0013

Accordingly, the said Resolutions were approved by the Shareholders, with requisite majority.

**DISCLOSURES**

1. There were no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors or the management, their subsidiaries or relatives, etc. during the year that may have potential conflict with the interest of the Company at large. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

The details of the related party relationships and transactions (which include payments for certain common services on terms considered reasonable by the Management) as required under Accounting Standard (AS) 18 "Related Party Disclosures" issued by the ICAI are given under Note 14 on Schedule 16 of the Annual Audited Accounts as at 31st March, 2010.

2. There was no non-compliance during the last three years by the Company on any matter related to capital market. There were no penalties imposed or stricture passed on the Company by Stock Exchange(s), SEBI or any other statutory authority.



**MEANS OF COMMUNICATION**

Quarterly and Half Yearly Results of the Company are published in the following newspapers:

<u>Name of newspaper</u>	<u>Region</u>	<u>Language</u>
Hindustan Times	Kolkata	English
Pratidin	Kolkata	Bengali

The quarterly results and shareholding pattern are also being displayed at the Company's website [www.tidewaterindia.com](http://www.tidewaterindia.com).

**GENERAL SHAREHOLDER INFORMATION**

- i) The Annual General Meeting will be held on 3rd September, 2010 (Friday) at Williamson Magor Hall, Bengal Chamber of Commerce & Industry, 6, N.S.Road, Kolkata - 700001 at 10.30 a.m.
- ii) Financial Calendar : April to March  
 Financial reporting for quarter ending June, 2010: Within 14th August,2010  
 Financial reporting for half-year ending September, 2010: Within 14th November, 2010  
 Financial Reporting for quarter ending December, 2010: Within 14th February, 2010  
 Financial Reporting for the year ending March, 2010: Within 30th May,2011
- iii) Book Closure : 28th August, 2010 to 3rd September, 2010 (both days inclusive).
- iv) Dividend payment date : Within 3rd October,2010.
- v) Stock Exchange where securities listed :  
 The Calcutta Stock Exchange Association Limited  
 7, Lyons Range, Kolkata -700 001  
 Stock Code : 10030026  
  
 National Stock Exchange  
 Bandra Kurla Complex, Bandra (E)  
 Mumbai - 400 051  
 Symbol : TIDEWATER  
  
 Trading is also permitted at the following Stock Exchange :  
 The Stock Exchange, Mumbai  
 Phiroze Jeejeebhoy Towers, Dalal Street  
 Mumbai - 400 001  
 Stock Code : 590005
- vi) Market Price High and Low during each month in last financial year is given at Annexure III

vii) Share Price Performance compared with broad based indices :	On 1st April,	On 31st March	%
	2009	2010	Change
Company's Share Price on CSE	No Trading	No Trading	N.A.
Company's Share Price on BSE	3420.00	4876.05	42.57
BSE SENSEX	9745.77	17527.77	79.85
Company's Share Price on NSE	3324.00	4880.00	46.81
CNX NIFTY	3023.85	5249.10	73.59

- viii) Registrar and transfer agents : For both physical and dematerialized form :  
MCS Limited, 77/2A, Hazra Road, Kolkata – 700 029.
- ix) In respect of queries, shareholders may address queries to the Company at the Registered Office located at 8, Dr. Rajendra Prasad Sarani, Kolkata – 700 001.
- x) Share transfer system : Share transfers in physical form can be lodged at the Registered Office of the Company or with the Registrar and are normally processed within a period of 30 days through the Committee of Directors provided all the formalities are complied with by the transferor.
- xi) Distribution of shareholding : As per Annexure IV
- xii) The shareholding pattern : As per Annexure V.
- xiii) Dematerialized shares : The company has entered into arrangements with National Securities Depository Limited and Central Depository Services (India) Limited whereby shareholders have an option to dematerialize their shares with either of depositories.  
ISIN NO. : INE 484C01014  
As on 31st March, 2010, 851306 shares comprising 97.72% of the share capital stand dematerialized.
- xiv) Plant Location :  
Lubricants : Silvassa (Dadra & Nagar Haveli), Turbhe (Mumbai), Faridabad (Haryana), Oragadam (Chennai), Ramkristopur (Howrah, West Bengal)  
Windmill : Village(s) : Kasthuriengapuram & Kumbikulam, Tirunelveli, Tamil Nadu
- xv) Address for Correspondence : Registered Office : 8, Dr. Rajendra Prasad Sarani, Kolkata – 700 001

## **RISK MANAGEMENT**

The Company has an integrated approach to managing risk inherent in various aspects of the business.

## **CEO / CFO CERTIFICATION**

The necessary certificate under clause 49(v) of the Listing Agreement has been placed before the Board of Directors.

## **NON-MANDATORY REQUIREMENTS**

The Company has not adopted the non-mandatory requirement given under Clause 49 of the Listing Agreement.

Kolkata,  
26th May, 2010

On behalf of the Board  
**Kallol Datta**  
*Chairman*

## ANNEXURE III

**STATEMENT SHOWING HIGHEST AND LOWEST PRICE AT THE STOCK EXCHANGE(S) AT WHICH THE SHARES OF TIDE WATER OIL CO. (INDIA) LTD. WERE TRADED FROM APRIL, 2009 TO MARCH, 2010**

Month	<u>Calcutta Stock Exchange</u>		<u>Bombay Stock Exchange</u>		<u>National Stock Exchange</u>		<u>CNX Nifty</u>	
	Highest Rs.	Lowest Rs.	Highest Rs.	Lowest Rs.	Highest Rs.	Lowest Rs.	Highest	Lowest
April, 2009	Not Available		4200.00	3203.00	3900.00	3200.00	3517.25	2965.70
May, 2009	Not Available		4200.00	3431.30	4100.00	3400.00	4509.40	3478.70
June, 2009	Not Available		4990.00	3600.10	4700.00	3600.00	4693.20	4143.25
July, 2009	Not Available		4390.00	3680.00	4400.00	3660.10	4669.75	3918.75
August, 2009	Not Available		5449.80	4086.10	5411.00	4087.00	4743.75	4353.45
September, 2009	Not Available		5600.00	4765.00	5555.00	4775.00	5087.60	4576.60
October, 2009	Not Available		5095.00	4351.00	5280.00	4441.00	5181.95	4687.50
November, 2009	Not Available		4775.00	4301.00	4760.00	4290.00	5138.00	4538.50
December, 2009	Not Available		5125.00	4450.00	5136.00	4421.00	5221.85	4943.95
January, 2010	Not Available		5390.00	4800.00	5430.00	4585.00	5310.85	4766.00
February, 2010	Not Available		5400.00	4802.15	5250.00	4846.00	4992.00	4675.40
March, 2010	Not Available		5220.00	4861.00	5218.55	4851.00	5329.55	4935.35

## ANNEXURE IV

**STATEMENT SHOWING DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH, 2010**

<b>No. of Shares (Range)</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shareholders</b>	<b>%</b>
0 – 500	167426	19.22	9371	99.18
501 – 1000	28453	3.26	39	0.41
1001 – 2000	24991	2.87	17	0.18
2001 – 5000	28888	3.32	9	0.10
5001 – 10000	36162	4.15	5	0.05
10001 – Above	585280	67.18	8	0.08
<b>Total</b>	<u>871200</u>	<u>100.00</u>	<u>9449</u>	<u>100.00</u>

## ANNEXURE V

## SHARE HOLDING PATTERN AS ON 31ST MARCH, 2010

Category	No. of shares held	Percentage of shareholding
1. GOVERNMENT		
a) Cental	—	—
b) State	—	—
2. FINANCIAL INSTITUTIONS		
a) Life Insurance Corpn. of India	36785	4.22
b) United India Insurance Co. Ltd.	87453	10.04
c) Nationalised Bank	400	0.05
3. MUTUAL FUNDS	—	—
4. ANDREW YULE & CO. LTD. & GROUP		
a) Andrew Yule & Co. Ltd.	228390	26.22
b) New Beerbhoom Coal Co. Ltd.	20	0.00
5. DIRECTORS	—	—
6. NON RESIDENT		
a) Indian Nationals	7368	0.85
b) Foreign Nationals	400	0.04
7. OTHERS		
a) Bodies Corporate	322149	36.98
b) Indian Public	188235	21.60
<b>GRAND TOTAL</b>	<b>871200</b>	<b>100.00</b>

## DECLARATION OF CEO

CEO CERTIFICATION

I confirm that all members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct for the year 2009-10.

Kolkata  
26th May, 2010

**R. N. Ghosal**  
*Executive Director*

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF  
CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49  
OF THE LISTING AGREEMENT**

**To**

**The Members of Tide Water Oil Co. (India) Ltd.**

We have examined the compliance of conditions of Corporate Governance by Tide Water Oil Co. (India) Limited, for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For DELOITTE HASKINS & SELLS

Chartered Accountants

(Registration No. 302009E)

**Abhijit Bandyopadhyay**

Partner

M/No. : 054785

Place : Kolkata.

Date : 26th May, 2010

## AUDITORS' REPORT

TO THE MEMBERS OF  
TIDE WATER OIL CO. (INDIA), LTD.

1. We have audited the attached Balance Sheet of TIDE WATER OIL CO. (INDIA), LTD. ("the company") as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003(CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) With the exception of Accounting Standard 13 on Investments and as referred to in Note 9 of Schedule 16 on notes to accounts, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e)
  - (i) The investments as referred to in Note 9 of Schedule 16 on notes to accounts, of the Company in quoted companies has probably suffered a diminution in value as information on their market value is not available. However no provision has been made in the accounts since the amount of diminution is indeterminable.
  - (ii) Advances as referred to in Note 7 of Schedule 16 on notes to accounts continues to be considered good even though recovery of the balance appears reasonably uncertain.
- f) Subject to the matters described in subparagraphs 4(d), 4(e)(i) and 4(e)(ii) with corresponding effect on the year-end net assets and the year's profit, the extent of which is currently not ascertainable, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
  - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
  - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2010 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as director in terms of Section 274(1)(g) of the Companies Act, 1956.

For **DELOITTE HASKINS & SELLS**  
*Chartered Accountants*  
**Abhijit Bandyopadhyay**

*Partner*

Place : Kolkata  
Date : 26th May, 2010

M/No. 054785

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- |   |  |
|---|--|
| <p>(i) Having regard to the nature of the Company's business/activities/result, clause xiii of CARO is not applicable.</p> <p>(ii) In respect of its fixed assets :</p> <p>(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.</p> <p>(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.</p> <p>(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.</p> <p>(iii) In respect of its inventory :</p> <p>(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.</p> <p>(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.</p> <p>(iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the</p> | <p>(v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.</p> <p>(vi) In respect of contracts or arrangements entered in the Register maintained pursuant to Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us :</p> <p>(a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.</p> <p>(b) Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time except in respect of certain purchases for which comparable quotations are not available and in respect of which we are unable to comment.</p> <p>(vii) According to the information and explanations given to us, the Company has not accepted any deposit from public during the year.</p> <p>(viii) In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.</p> <p>(ix) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the</p> |
|---|--|

maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of manufacture of lubricating oil and grease and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.

(x) According to the information and explanations given to us in respect of statutory dues :

(a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State

Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable except Rs. 45,634 relating to Employees' State Insurance.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2010 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in Crores)
Sales Tax Act	Sales Tax	West Bengal Commercial Taxes Revision Board, West Bengal Appellate, Deputy Commissioner of Commercial Taxes West Bengal, DCCT Dhanbad, Appellate Authority Orissa, High Court, Lucknow, Assistant Commissioner Sales Tax, New Delhi.	1982-2005	2.02
Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise Chennai, High Court, Chennai, CEGAT Mumbai,	1998-1999 2001-2009	0.32
Central Excise Act, 1944	Service Tax	Commissioner of Appeals Central Excise (Service Tax), Mumbai	2005-2006	0.05
Navi Mumbai Municipal Corporation CESS	Cess	Dy. Municipal Commissioner Cess Navi Mumbai	1998-2004	1.36
Income Tax Act	Income Tax	High Court, Kolkata, ITAT (Appeal) & CIT (Appeal)	1998-2008	3.34



Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in Crores)
Employee's State Insurance Act.	ESI contribution	Principal Judge, Labour Court, Madras (ESI Court)	1998-2001	Original demand - 0.01, Interest - 0.02 Amount paid - 0.003
Income Tax Act	Fringe Benefit Tax	ACIT	2005-06	0.006
Haryana Local Area Development Act, 2000	Development Tax	Supreme Court	2007-09	0.20

(xi) The Company does not have any accumulated losses at the end of the financial year and the Company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.

(xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. There were no dues to financial institutions and debenture holders.

(xiii) In our opinion, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.

(xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not taken any term loan during the year.

(xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.

(xviii) According to the information and explanations given to us the Company has not made any preferential allotment of shares during the year.

(xix) According to the information and explanations given to us and the records examined by us, the Company has not issued any debentures during the year.

(xx) The Company has not raised any money through a public issue during the year.

(xxi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Registration No. 302009E)

**A. Bandyopadhyay**

Partner

Place : Kolkata

Date : 26th May, 2010

M/No. 054785

TIDE WATER OIL CO. (INDIA), LTD.

BALANCE SHEET AS AT 31ST MARCH, 2010

(Figures in Rs. Crores)

SOURCE OF FUNDS	Schedules	31st March, 2010	31st March, 2009
<b>(1) Shareholders' Funds :</b>			
(a) Capital	1	0.87	0.87
(b) Reserves and Surplus	2	202.76	150.21
		<u>203.63</u>	<u>151.08</u>
<b>(2) Loan Funds :</b>			
(a) Secured Loans	3	-	2.99
		<u>-</u>	<u>2.99</u>
<b>(3) Deferred Tax Liability (Net)</b> (Refer Note No.13 on Schedule 16)		2.63	-
<b>TOTAL :</b>		<u>206.26</u>	<u>154.07</u>
<b>APPLICATION OF FUNDS</b>			
<b>(1) Fixed Assets :</b>			
(a) Gross Block		112.65	65.86
(b) Less : Depreciation		<u>35.32</u>	<u>32.24</u>
(c) Net Block	4	77.33	33.62
(d) Capital work-in-progress at cost		<u>0.54</u>	<u>8.52</u>
		<u>77.87</u>	<u>42.14</u>
<b>(2) Investments :</b>	5	0.60	0.60
<b>(3) Deferred Tax Asset (Net)</b> (Refer Note No. 13 on Schedule 16)		<u>-</u>	<u>0.20</u>
<b>(4) Current Assets, Loans and Advances :</b>			
(a) Inventories	6	130.13	74.41
(b) Sundry Debtors	7	53.91	42.17
(c) Cash and Bank Balances	8	20.29	31.50
(d) Loans and Advances	9	<u>26.32</u>	<u>50.09</u>
		230.65	198.17
<b>Less : Current Liabilities and Provisions :</b>			
(a) Current Liabilities	10	93.67	76.90
(b) Provisions	11	<u>9.19</u>	<u>10.14</u>
		<u>102.86</u>	<u>87.04</u>
Net Current Assets		<u>127.79</u>	<u>111.13</u>
<b>TOTAL :</b>		<u>206.26</u>	<u>154.07</u>
NOTES ON ACCOUNTS	16		

Schedules referred to above form an integral part of the Balance Sheet.

As per our attached report of even date

Kolkata, 26th May, 2010

For DELOITTE HASKINS & SELLS  
Chartered Accountants  
**Abhijit Bandyopadhyay**  
Partner

On behalf of the Board,  
**Kallol Datta** Chairman  
**R.N.Ghosal** Executive Director  
**S. Basu** Secretary

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(Figures in Rs. Crores)

	Schedules	For the year ended 31st March, 2010	For the year ended 31st March, 2009
<b>INCOME</b>			
Sales		751.58	610.48
(Refer Note No.(c) of Schedule 17)			
Less : Discount & Rebates		87.88	53.41
Net Sales (Net of discount & rebates)		663.70	557.07
Less : Excise Duty Recovered on sales		98.98	76.03
Net Sales (excluding excise duty)		564.72	481.04
Other Income	12	6.59	6.53
		571.31	487.57
<b>EXPENDITURE</b>			
Materials Consumed	13	333.46	331.41
Operating & Other Expenses	14	141.53	105.53
Interest	15	0.81	1.46
Depreciation / Amortisation		6.34	3.49
Less : Transferred from Revaluation Reserve		0.16	0.10
		481.98	441.79
Profit before Taxation		89.33	45.78
Less : Provision for Taxation			
Current Tax		28.71	16.50
Fringe Benefit Tax		–	1.25
Deferred Tax		2.83	0.48
Profit after Taxation		57.79	27.55
Add : Balance brought forward from last Account		82.53	60.78
Balance carried to Balance Sheet		140.32	88.33
<b>APPROPRIATIONS</b>			
General Reserve		5.78	2.75
Proposed Dividend		4.36	2.61
Tax on Dividend		0.72	0.44
Balance carried to Balance Sheet		129.46	82.53
		140.32	88.33
Basic and Diluted Earnings per share (Note 12 on Schedule 16)		Rs. 663.33	Rs. 316.23

## NOTES ON ACCOUNTS

16

Schedules referred to above form an integral part of the Profit and Loss Account.

As per our attached report of even date

For DELOITTE HASKINS &amp; SELLS

Chartered Accountants

Abhijit Bandyopadhyay

Partner

On behalf of the Board,

Kallol Datta Chairman

R.N. Ghosal Executive Director

S. Basu

Secretary

Kolkata, 26th May, 2010

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH, 2010**

(Figures in Rs. Crores)

	<u>31st March, 2010</u>	<u>31st March, 2009</u>
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	89.33	45.78
Adjustments for :		
Depreciation	6.18	3.39
Interest received	(1.92)	(1.16)
Loss / (Profit) on sale of Fixed Assets	0.31	0.02
Interest charge	0.81	1.46
Provision for doubtful debts / Advances (Net)	(0.23)	1.40
Liabilities no longer required written back	(2.27)	(4.52)
Bad Debts Written Off	0.11	—
Operating Profit before Working Capital changes	<u>92.32</u>	<u>46.37</u>
Adjustments for :		
Trade and Other Receivables	12.11	(25.96)
Inventories	(55.72)	20.38
Trade Payables	16.57	15.96
Cash Generated From Operations	<u>65.28</u>	<u>56.75</u>
Direct Taxes Paid	(29.98)	(17.65)
<b>Net Cash from Operating Activities</b>	<b><u>35.30</u></b>	<b><u>39.10</u></b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(41.54)	(18.06)
Proceeds from sale of Fixed Assets	0.04	0.10
Interest Received	1.85	1.07
<b>Net Cash used in Investing Activities</b>	<b><u>(39.65)</u></b>	<b><u>(16.89)</u></b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of Short Term borrowings	(2.99)	(2.96)
Interest Paid	(0.81)	(1.46)
Dividend Paid	(3.06)	(2.05)
<b>Net Cash used in Financing Activities</b>	<b><u>(6.86)</u></b>	<b><u>(6.47)</u></b>
Net Decrease In Cash and Cash Equivalents (A+B+C)	<u>(11.21)</u>	<u>15.74</u>
Cash and Cash Equivalents at the beginning of the year	31.50	15.76
Cash and Cash Equivalents at the close of the year	<u>20.29</u>	<u>31.50</u>
	<u>(11.21)</u>	<u>15.74</u>

As per our attached report of even date

Kolkata, 26th May, 2010

For DELOITTE HASKINS & SELLS  
Chartered Accountants  
**Abhijit Bandyopadhyay**  
Partner

On behalf of the Board,  
**Kalol Datta** Chairman  
**R.N.Ghosal** Executive Director

**S. Basu**  
Secretary

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Figures in Rs. Crores)

<b><u>SCHEDULE 1</u></b>	As at 31st March, 2010	As at 31st March, 2009
<b>CAPITAL</b>		
<b>Authorised :</b>		
30,00,000 Ordinary Shares of Rs. 10/- each	3.00	3.00
<b>Issued and Subscribed :</b>		
8,71,200 Ordinary Shares of Rs. 10/- each fully paid	0.87	0.87
<p>Note 1 : Includes 20,000 (last year 20,000) ordinary shares of Rs. 10/- each fully paid, issued pursuant to a contract without payment being received in cash.</p> <p>2 : Includes 470,400 (last year 470,400) ordinary shares of Rs. 10/- each fully paid, issued by way of Bonus Shares by capitalisation of General Reserve and Share Premium Account.</p>		
<b><u>SCHEDULE 2</u></b>		
<b>RESERVES AND SURPLUS</b>		
<b>Revaluation Reserve :</b>		
Balance as per last Accounts	2.23	2.33
Less : Transferred to Profit and Loss Account	0.16	0.10
	2.07	2.23
<b>Share premium Account :</b>		
Balance as per last Accounts	4.39	4.39
<b>General Reserve :</b>		
Balance as per last Accounts	61.06	58.31
Add : Transfer from Profit and Loss Account	5.78	2.75
	66.84	61.06
<b>Profit and Loss Account</b>		
Balance at credit	129.46	82.53
	202.76	150.21
<b><u>SCHEDULE 3</u></b>		
<b>SECURED LOANS</b>		
<b>On Cash Credit/Overdraft Accounts :</b>		
<b>From Banks :</b>		
[Secured by (i) hypothecation of Company's stocks and book debts, and also	-	2.99
(ii) hypothecation of the Company's movable Plant and Machineries.]		
The banks rank pari passu		
on prorata basis in point of security.	-	2.99

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

**SCHEDULE 4****FIXED ASSETS**

(Figures in Rs. Crores)

Description of Assets	GROSS BLOCK AT COST / VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2009	Additions during the year	Assets sold/ scrapped/ adjusted during the year	As at 31st March, 2010	As at 1st April, 2009	During the year	On assets sold/ scrapped/ adjusted during the year	As at 31st March, 2010	As at 31st March, 2010	As at 31st March, 2009
<b>A. Tangible</b>										
Land (Freehold)	2.53	1.99	–	4.52	–	–	–	–	4.52	2.53
Land (Leasehold)	2.66	–	–	2.66	0.13	0.03	–	0.16	2.50	2.53
Buildings	20.65	16.38	–	37.03	7.12	1.90	–	9.02	28.01	13.53
Plant & Machinery	30.23	13.86	(2.17)	41.92	18.21	3.00	(1.91)	19.30	22.62	12.02
Furniture & Fixture	5.95	0.45	(1.27)	5.13	4.98	0.29	(1.22)	4.05	1.08	0.97
Motor and Other Vehicles	2.00	0.22	(0.17)	2.05	1.01	0.27	(0.13)	1.15	0.90	0.99
Windmill	–	17.42	–	17.42	–	0.11	–	0.11	17.31	–
<b>TOTAL</b>	<b>64.02</b>	<b>50.32</b>	<b>(3.61)</b>	<b>110.73</b>	<b>31.45</b>	<b>5.60</b>	<b>(3.26)</b>	<b>33.79</b>	<b>76.94</b>	<b>32.57</b>
<b>B. Intangible - Acquired Items</b>										
Software	1.84	0.08	–	1.92	0.79	0.74	–	1.53	0.39	1.05
<b>TOTAL</b>	<b>1.84</b>	<b>0.08</b>	<b>–</b>	<b>1.92</b>	<b>0.79</b>	<b>0.74</b>	<b>–</b>	<b>1.53</b>	<b>0.39</b>	<b>1.05</b>
<b>Grand Total</b>	<b>65.86</b>	<b>50.40</b>	<b>(3.61)</b>	<b>112.65</b>	<b>32.24</b>	<b>6.34</b>	<b>(3.26)</b>	<b>35.32</b>	<b>77.33</b>	<b>33.62</b>
<b>As on 31st March, 2009</b>	<b>55.07</b>	<b>11.26</b>	<b>(0.47)</b>	<b>65.86</b>	<b>29.10</b>	<b>3.49</b>	<b>(0.35)</b>	<b>32.24</b>	<b>33.62</b>	<b>–</b>

Note : Gross block of Buildings include leasehold Building amounting to Rs. 0.04 Crores (last year Rs.0.04 Crores)

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Figures in Rs. Crores)

<b>SCHEDULE 5</b>	<u>As at</u> <u>31st March, 2010</u>	<u>As at</u> <u>31st March, 2009</u>
<b>INVESTMENTS AT COST OR UNDER</b>		
<b>LONG TERM</b>		
<b>Other than Trade Investment :</b>		
<b>(Refer Note No. 9 on Schedule 16)</b>		
<b>Unquoted</b>		
Woodlands Hospital and Medical Research Centre Limited, 5% Registered Mortgage Debenture Stock, fully paid.	0.00*	0.00*
<b>Quoted</b>		
Yule Financing and Leasing Co. Ltd. 1,94,640 Ordinary Shares of Rs. 10/- each fully paid	0.19	0.19
WEBFIL Limited 4,10,000 Equity Shares of Rs. 10/- each fully paid	0.41	0.41
	<u>0.60</u>	<u>0.60</u>
* Rs. 100	<u>0.60</u>	<u>0.60</u>

Notes :

- Aggregate amount of quoted investments are Rs. 0.60 Crores (Last year Rs. 0.60 Crores). Market value of quoted investments are not available.
- Aggregate amount of unquoted investments are Rs. 100 (Last year Rs. 100).

**SCHEDULE 6****INVENTORIES****Stock at cost or net realisable value whichever is lower :**

Raw Materials (Includes Rs. 0.32 Crores in transit, last year Rs. 0.18 Crores)	61.69	21.36
Finished Products (Includes Rs. 0.69 Crores in transit, last year Rs. 0.30 Crores)	58.43	45.45
Containers (Includes Rs. 0.06 Crores in transit, last year Rs. 0.03 Crores)	10.01	7.60
	<u>130.13</u>	<u>74.41</u>

**SCHEDULE 7****SUNDRY DEBTORS****Debts outstanding over six months :**

Considered Good :		
Secured	0.00*	0.02
Unsecured	0.42	0.41
Considered doubtful	2.55	2.78
<b>Other Debts :</b>		
Considered good :		
Secured	6.13	4.96
Unsecured	47.36	36.78
	<u>56.46</u>	<u>44.95</u>
Less : Provision for doubtful debts	2.55	2.78
	<u>53.91</u>	<u>42.17</u>

\* Rs. 47,343

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Figures in Rs. Crores)

<b>SCHEDULE 8</b>	<u>As at</u> <u>31st March, 2010</u>	<u>As at</u> <u>31st March, 2009</u>
<b>CASH AND BANK BALANCES</b>		
Cash in hand (including Postage Stamps and Cheques in hand)	0.48	3.29
	<u>0.48</u>	<u>3.29</u>
<b>Balances with Scheduled Banks :</b>		
On Current Accounts	6.58	17.94
On Dividend Accounts	0.10	0.10
On Deposit Accounts	13.13	10.17
	<u>19.81</u>	<u>28.21</u>
	<u>20.29</u>	<u>31.50</u>
<b>SCHEDULE 9</b>		
<b>LOANS AND ADVANCES (Unsecured, Considered Good, unless otherwise stated) :</b>		
Accrued interest :		
Considered Good	0.03	0.06
Advances recoverable in cash or in kind or for value to be received :		
Considered Good (Note no. 7 on Schedule 16)	22.35	46.71
Considered doubtful	0.26	0.26
	<u>22.61</u>	<u>46.97</u>
Less : Provision for doubtful advances	0.26	0.26
	<u>22.35</u>	<u>46.71</u>
<b>Security and other deposits (Unsecured Considered Good, unless otherwise stated) :</b>		
Balances with Customs, Excise and Port Trust :	3.08	2.95
Deposits with I.D.B.I. : Considered Good	-	0.12
Other Deposits :		
Considered Good	0.86	0.25
[Includes other deposits with Sales Tax Authorities Rs.0.01 Crores (last year Rs. 0.01 Crores)]		
Considered Doubtful	0.00 *	0.00 *
	<u>0.86</u>	<u>0.25</u>
Less : Provision for doubtful deposits	0.00 *	0.00 *
	<u>0.86</u>	<u>0.25</u>
	<u>26.32</u>	<u>50.09</u>

\*Rs. 39,530



## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

(Figures in Rs. Crores)

<b>SCHEDULE 10</b>	As at 31st March, 2010	As at 31st March, 2009
<b>CURRENT LIABILITIES</b>		
Sundry Creditors		
a) Total outstanding dues of micro enterprises and small enterprises	0.89	1.31
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	12.64	14.59
*Investor Education and Protection Fund shall be credited as and when due by the following amounts namely :***		
Unclaimed Fixed Deposits	–	0.00*
Unclaimed Dividends	0.10	0.10
Unclaimed Interest on Fixed Deposits	–	0.00**
Deposits from distributors and others	11.04	8.90
Other Liabilities	69.00	52.00
	<u>93.67</u>	<u>76.90</u>

\* Rs. 30,000

\*\* Rs. 8,934

\*\*\* There is no amount due and outstanding as at 31st March, 2010 to be credited to Investor Education and Protection Fund.

**SCHEDULE 11****PROVISIONS**

Income Tax including Fringe Benefit Tax ( Net of Advance Tax)	0.05	1.42
Provision for Employees Retirement Benefits	4.06	5.67
Proposed Dividend	4.36	2.61
Tax on Dividend	0.72	0.44
	<u>9.19</u>	<u>10.14</u>

## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(Figures in Rs. Crores)

<b>SCHEDULE 12</b>	For the year ended 31st March, 2010	For the year ended 31st March, 2009
<b>OTHER INCOME</b>		
Interest on :		
I.D.B.I. Deposit	0.00*	0.00**
Fixed Deposits [Tax deducted at source Rs. 0.09 Crores (last year Rs. 0.05 Crores)]	1.06	0.35
Others [Tax deducted at source Rs. Nil (last year Rs. Nil)]	<u>0.86</u>	<u>0.81</u>
	1.92	1.16
Liabilities no longer required written back	2.27	4.52
Discount Received	0.06	0.03
Bad Debts Realised	0.14	-
Profit on Exchange Fluctuation (Net)	0.67	-
Provision for doubtful debts / advances written back	0.36	0.14
Miscellaneous Receipts	1.17	0.68
	<u>6.59</u>	<u>6.53</u>

\* Rs. 30,188

\*\* Rs. 40,250.

**SCHEDULE 13****MATERIALS CONSUMED**

Opening Stock :			
Raw Materials	21.36	51.31	
Containers, etc.	<u>7.60</u>	<u>6.72</u>	58.03
Add : Purchased during the year :			
Raw Materials	342.18	271.78	
Containers, etc.	<u>45.80</u>	<u>33.85</u>	305.63
Less : Closing Stock :			
Raw Materials	61.69	21.36	
Containers, etc.	<u>10.01</u>	<u>7.60</u>	28.96
		345.24	334.70
<b>(INCREASE)/DECREASE IN STOCKS</b>			
Opening Stock	45.45	36.76	
Closing Stock	<u>58.43</u>	<u>45.45</u>	(8.69)
Excise Duty on increase / (decrease) of Finished Goods			
	1.20		5.40
	<u>333.46</u>		<u>331.41</u>

## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(Figures in Rs. Crores)

**SCHEDULE 14****OPERATING & OTHER EXPENSES**

	For the year ended 31st March, 2010	<i>For the year ended 31st March, 2009</i>
Salaries, Wages and Bonus	20.53	15.88
Contribution to Provident and Other Funds	1.65	1.80
Medical and Welfare Expenses	2.32	3.28
Repairs - Buildings	0.76	0.48
Repairs - Machinery	1.12	0.50
Repairs - Others	0.62	0.66
Rent	2.22	2.56
Rates and Taxes	1.45	1.32
Consumption of Stores	1.17	1.11
Distributors' / Agents Commission	3.77	5.27
Power and Fuel	1.65	1.42
Insurance	1.62	1.59
Freight and Cartage	12.53	9.79
Travelling Expenses and Up-Keep of Motor cars	3.55	2.92
Advertising Expenses	10.94	8.08
Depot Operating Expenses	3.75	3.27
Royalty	9.27	5.52
Selling and Marketing Expenses	49.34	26.43
Processing and Filling Charges	5.77	4.43
Bank Charges	1.12	1.64
Directors' fees	0.02	0.02
Provisions for Doubtful Debts / Advances	0.13	1.54
Loss on Foreign Exchange (Net)	-	1.80
Loss on Fixed Assets scrapped/sold (Net)	0.31	0.02
Bad Debts written off	0.11	-
Miscellaneous Expenses	5.81	4.20
	<u>141.53</u>	<u>105.53</u>

**SCHEDULE 15****INTEREST**

On Deposits	0.66	0.61
On Bank Borrowing	0.06	0.05
On Others	0.09	0.80
	<u>0.81</u>	<u>1.46</u>

YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

**SCHEDULE 16**

**Notes on the Accounts :**

1. Significant Accounting Policies

(i) BASIS OF PREPARATION OF ACCOUNTS

The Financial Statements are prepared under historical cost convention on accrual basis and are in compliance with the Companies Accounting Standard Rules, 2006 and the relevant provisions of the Companies Act 1956 thereof.

The accounts presentation under Indian Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the balance sheet date.

(ii) REVENUE RECOGNITION

(a) Sale of goods

Revenue from the sale of goods is recognised in the profit and loss account when the significant risks and rewards of ownership have been transferred to the buyer. Revenue includes consideration received or receivable, excise duty but net of sales related taxes.

(b) Sale of power

Revenue from the sale of power is recognised based on bills raised on Power Transmission Company.

(c) Dividend and Interest income

Dividend income is recognised when the company's right to receive dividend is established. Interest income is recognised on accrual basis based on interest rates implicit in the transactions.

(iii) FIXED ASSETS

All Fixed Assets are valued at cost less depreciation/amortization. The cost of an asset includes the purchase cost of materials, including import duties and non refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of fixed assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

Certain land, buildings, blending plant and laboratory equipment and grease plant are stated on the basis of their revaluations inclusive of resultant write-ups.

(iv) INTANGIBLE ASSETS

Intangible Assets expected to provide future enduring economic benefits are stated at cost less amortization. Cost comprises purchase price and directly attributable expenditure on making the asset ready for its intended use.

(v) DEPRECIATION

(a) Revalued assets are depreciated on the revalued book value at the rates considered appropriate by the valuer on a straight-line basis and thereafter adjusted to the extent chargeable on written down value method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

The provision for depreciation on such revalued Fixed Assets are transferred to Revaluation Reserve to the extent of the difference between the written up value of the Fixed Assets revalued and depreciation adjustment and thus charge the Revaluation Reserve Account with annual depreciation on that portion of the value which is written up.

(b) Other fixed assets are depreciated on written down value basis applying the rates specified in Schedule XIV to the Companies Act, 1956.

(c) Leasehold lands are amortized on straight line basis over the period of lease.

(d) Items costing not more than Rupees five thousand are fully depreciated during the year of additions.

(e) Intangible assets are amortised over their best estimated useful life ranging upto three years on straight line method.

YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)

(vi) INVESTMENTS

Long term Investments are stated at cost less provision, if any, for diminution which is other than temporary in nature. Current investments are carried at lower of cost and fair value.

(vii) INVENTORIES

Raw materials are valued at cost comprising purchase price, freight and handling, non refundable taxes and duties and other directly attributable costs.

Finished products are valued at lower of cost and net realizable value.

Values of inventories are generally ascertained on the "First In First Out" basis.

(viii) FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions and forward exchange contracts are recorded on initial recognition in the reporting currency i.e. Indian rupees, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in currencies other than the reporting currency and foreign exchange contracts remaining unsettled are remeasured at the rates of exchange prevailing at the balance sheet date. Exchange difference arising on the settlement of monetary items, and on the remeasurement of monetary items, are included in profit and loss for the year. In case of forward exchange contracts, the difference between the contract rate and the spot rate on the date of transaction is charged to the profit and loss account over the period of the contract.

(ix) BORROWING COSTS

Borrowing costs that are attributable to the acquisition, construction of qualifying assets are capitalized as part of the cost of such assets till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the profit and loss account in the period in which they are incurred.

(x) RESEARCH AND DEVELOPMENT COSTS

Revenue expenditure on research and development are expensed out under the respective head of accounts in the year in which these are incurred.

Fixed Asset used for research and development is stated at cost less accumulated amortization and impairment losses and are depreciated in accordance with company's policy.

(xi) EMPLOYEE BENEFITS

(i) Short term benefits

Short term benefits are recognised as an expense at the undiscounted amount in the profit and loss account for the year in which the related services are rendered.

(ii) Post Employment Benefits

Defined contribution plans are those plans where the Company pays fixed contributions to a separate entity. Contributions are paid in return of services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Contributions are expensed as they are incurred in line with the treatment of wages and salaries.

Defined benefit plans are arrangements that provide guaranteed benefits to employees, either by way of contractual obligations or through a collective agreement. This guarantee of benefits represents a future commitment of the Company and, as such, a liability is recognised. The present value of these defined benefit obligations are ascertained by independent actuarial valuation as per the requirement of Accounting Standard 15- Employee Benefits. The liability recognised in the balance sheet is the present value of the defined benefit obligations on the

SCHEDULE 16 (contd.)

balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognized past service costs. All actuarial gains and losses are recognised in Profit and Loss Account in full in the year in which they occur.

(xii) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

(xiii) LEASES

Assets acquired under Operating Lease, rentals payable are charged to Profit and Loss Account.

Assets acquired under Finance Lease are capitalised at lower of the fair value and present value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

(xiv) EARNINGS PER SHARE

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS)20-Earnings Per Share. Basic earnings per equity share have been computed by dividing net profit after tax attributable to equity share holders by the weighted average numbers of equity shares outstanding during the year. Diluted earnings during the year adjusted for the effects of all dilutive potential equity shares per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

(xv) IMPAIRMENT OF FIXED ASSETS

(a) The carrying amounts of assets are reviewed at each Balance Sheet date for indicators of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(b) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(c) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(xvi) SEGMENT REPORTING

Segments are identified based on the dominant source and nature of risks and return and the internal organization and management structure.

Revenue and expenses has been identified to segments on the basis of their relationships to the operating activities of the segment.

(xvii) TAXATION

(a) Tax expense comprises of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Indian Income Tax Act, 1961.

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)

- (b) Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Profit and Loss Account and the cumulative effect thereof is reflected in the Balance Sheet. The major component of the respective balances of Deferred Tax Assets and Liabilities are disclosed in the Accounts. Deferred tax assets are reviewed at each Balance Sheet date to reassess realisation.

## 2. CONTINGENT LIABILITIES

Contingent Liabilities not provided for :

	<u>31st March, 2010</u>	<u>31st March, 2009</u>
	Rs.	Rs.
a. Bills Discounted	29.98	22.65
b. Income Tax	3.34	7.60
c. Sales tax/VAT	2.09	1.43
d. Excise Demands	0.65	0.53
e. Other disputed claims	Nil	0.02
f. Bank Guarantees	0.08	0.08

3. Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is Rs. 2.44 Crores (last year Rs. 8.16 Crores).
4. During the year, Company has started a new line of business of sale of Wind Power to Tamil Nadu Electricity Board (TNEB). Two Power Generation units of 1.5 MW each, have been set up at Sankenari, Tamil Nadu, which has been commissioned and connected to TNEB grid.

The company has an agreement with Suzlon Energy Ltd. for operation and maintenance of the power units.

5. Capital Work-in-Progress includes :

	<u>31st March, 2010</u>	<u>31st March, 2009</u>
	Rs.	Rs.
Advance against Capital Items	0.15	3.40
Construction Work in Progress	0.39	5.12
Total	<u>0.54</u>	<u>8.52</u>

6. The Company has reviewed the impairment of assets at year end and noted that none of the assets has been impaired as on 31.03.2010.
7. Loans and advances include Rs.3.48 Crores (last year Rs3.48 Crores) given as advance towards proposed issue of shares by Yule Agro Industries Limited (YAIL). In view of the present status of activities of YAIL, shares have not been issued. Hence the status of recoverability of the aforesaid advance of Rs. 3.48 and the corresponding provision, if any, as may be required is not ascertainable at this stage.

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)

8. (a) The company has incurred revenue expenditure of Rs.0.83 Crores (Rs.0.65 Crores ) on account of Research & Development expenses the break up of which is as follows :

	<u>31st March, 2010</u>	<u>31st March, 2009</u>
	Rs.	Rs.
Salaries & Wages	0.69	0.40
Consumables	0.05	0.15
Utilities	0.07	0.08
Others	0.02	0.02
Total	<u>0.83</u>	<u>0.65</u>

- (b) The Gross Block of Fixed Assets in Schedule 4 includes following assets purchased for Research & Development :

	As on 31.03.2010		As on 31.03.2009	
	Building	Equipment	Building	Equipment
Opening Balance	0.11	2.19	0.11	2.15
Addition during the year	1.21	0.23	Nil	0.04
Closing Balance	1.32	2.42	0.11	2.19

9. The diminution in value of Long Term Investments amounting to Rs.0.60 Crores (last year Rs. 0.60 Crores) is in the opinion of the management, not of a permanent nature and accordingly no provision has been made.

10. Director's Emoluments	<u>31.03.2010</u>
Total Remuneration (excluding sitting fees) includes :	0.19
i) Salaries and Allowances	0.12
ii) Contribution to Provident and other funds	0.01
iii) Estimated value of Perquisites*	0.03
iv) Commission to Resident Whole time Directors	0.03

\* Evaluated as per Income tax Rules wherever applicable

- a) Computation of Profit in accordance with Section 198(1) of the Companies Act,1956 :

Profit before Taxation as per Profit & Loss Account	89.33
Add : Provision for Doubtful Debts (Net of amounts written back)	0.13
Director's Sitting Fees	0.02
Loss on sale/scrap of Fixed Assets	0.31
Less : Excess Provision for doubtful debts written back	0.36



## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)

Add : Director's Remuneration	0.19	
Profit as per Section 198(1)	89.62	
Note :The impact of actuarial valuation is determined for the Company as a whole. Hence the amount pertaining to the directors is not ascertainable		
b) Remuneration payable to Managing and Wholetime Directors @ 5% on above profits	4.48	
Restricted by the Board of Directors to	0.16	
c) Commission payable to resident Wholetime Director @1%on above profit	0.90	
Restricted by the Board of Directors to #	0.03	
# Since Mr. R.N. Ghosal was appointed as wholetime director, designated as Executive Director of the Company w.e.f. 29.07.2009, commission has been computed proportionately. Previous year's figures have not been given as there was no wholetime director.		
11. Miscellaneous expenses include Auditors' Remuneration (excluding service tax) as follows :		
	<u>31st March, 2010</u>	<u>31st March, 2009</u>
(i) Audit Fees	0.06	0.04
(ii) In Other Capacities		
– Tax Audit	0.02	0.02
– Other services (for certificates, reviews, etc.)	0.11	0.12
(iii) Reimbursement of out of pocket expenses	<u>0.00*</u>	<u>0.01</u>
Total	<u>0.19</u>	<u>0.19</u>
* Rs. 44,905		
12. Earnings Per Share :		
	<u>2009-10</u>	<u>2008-09</u>
Net Profit for the year	57.79	27.55
Number of Equity shares (Face value Rs.10/-each)	871,200	871,200
Basic and Diluted earnings per share(Rs.)	663.33	316.23
13. Details of deferred Tax Liability/ (Asset) as at 31st March, 2010 are as follows :		
	<u>31st March, 2010</u>	<u>31st March, 2009</u>
Timing Difference of depreciation as per tax laws and books	4.92	1.35
Initial disallowance's allowable on payment	(2.29)	(1.55)
Net Deferred Tax Liability/(Asset)	2.63	(0.20)

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

## 14. Related Party Disclosures

- (a) Key Managerial Personnel  
Mr. R.N. Ghosal, Executive Director of the Company is considered as Key Managerial Personnel.
- (b) Relative of Key Managerial Personnel  
Mr. S.Ghosal, son of Mr. R.N. Ghosal
- (c) Associate Companies  
Andrew Yule & Co.Ltd.

Sl. No.	Nature of Transactions	31st March, 2010			31st March, 2009		
		Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Remuneration	–	0.19	–	–	0.11	–
2	Sports sponsorship for National Squash Champion & Arjuna Awardee	–	–	0.05	–	–	0.05
3	Purchase of Goods	3.46	–	–	0.94	–	–
4	Sale of Goods	0.11	–	–	0.09	–	–
5	Sale of Asset	Nil	–	–	0.01	–	–
6	Directors' Fees	0.01	–	–	0.01	–	–
7	Dividend Paid	0.69	–	–	0.46	–	–
8	Rent Paid	0.15	–	–	0.15	–	–
9	Payment for Common Services	3.50	–	–	2.81	–	–
10	Amount due from as of 31st March						
	Loan	Nil	–	–	10.00	–	–
	Others	0.01	–	–	0.13	–	–
11	Amount due to as of 31st March	0.16	–	–	0.53	–	–

## 15. Employees Benefits :

- (a) The Company's contribution to Defined contribution Plans aggregated to Rs.1.35 Crores (last year Rs. 1.24 Crores) for the year ended 31.03.2010 has been recognised under the line item Contribution to Provident and Other Funds on Schedule 14 above .

	<u>2009-10</u>	<u>2008-09</u>
Contribution to Provident Fund	1.33	1.18
Contribution to Employees State Insurance Fund	0.02	0.06
	<u>1.35</u>	<u>1.24</u>

YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)

(b) Defined Benefit Plans

(i) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees as per Payment of Gratuity Act, 1972. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount as per Payment of Gratuity Act, 1972. Vesting occurs upon completion of five years of service. The Scheme is funded.

(ii) Superannuation

Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 1.67% to 2% of salary drawn. The Scheme is funded.

(iii) Pension

The Company has a defined benefit pension fund. No new members are admitted to this Scheme.

The Company accounts for the liability for pension benefits based on year-end actuarial valuation.

The Scheme is unfunded.

(iv) Post-retirement Medical Scheme

Under this scheme, employees get medical benefits subject to certain limits of amount and types of benefits depending on their grade at the time of retirement. The liability for post-retirement medical scheme is determined on the basis of year-end actuarial valuation. The Scheme is unfunded.

(v) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number days of unutilised leave at each balance sheet date on the basis of year-end actuarial valuation. The Scheme is unfunded.

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

(c) Particulars in respect of Defined Benefit Plans of the Company are as follows:

Employee Benefits	As at 31st March 2010					As at 31st March 2009					As at 31st March 2008				
	Grat-uity	Leave Encas-hment	Medi-cal	Pen-sion*	Super-annu-ation	Grat-uity	Leave Encas-hment	Medi-cal	Pen-sion*	Super-annu-ation	Grat-uity	Leave Encas-hment	Medi-cal	Pen-sion*	Super-annu-ation
Defined benefit plans/Long term Compensated absences. As per actuarial valuation as on 31st March, 2010 Components of employer expenses															
Current Service Cost	0.23	0.16	0.09	-	0.03	0.19	0.21	0.01	-	0.01	0.18	0.12	0.01	-	0.01
Interest cost	0.24	0.18	0.14	6000	0.05	0.24	0.21	0.02	7000	0.04	0.20	0.11	0.02	7000	0.03
Expected return on plan assets	(0.23)	-	-	-	(0.04)	(0.13)	-	-	-	(0.04)	(0.13)	-	-	-	(0.04)
Plan amendment Cost	-	-	-	-	-	-	-	1.45	-	-	-	-	-	-	-
Actuarial Losses/(Gains)	(0.10)	0.22	(0.03)	(4000)	(0.01)	(0.14)	(0.56)	0.11	(2000)	0.11	0.29	1.21	0.05	3000	0.20
Total expenses recognized in the Statement of Profit & Loss Account.	0.14	0.56	0.20	2000	0.03	0.16	(0.14)	1.59	5000	0.12	0.54	1.44	0.08	10000	0.20
Actual Contribution and Benefits Payments for year ended 31st March, 2010															
Actual benefit payments	0.19	0.18	0.06	6000	-	0.14	0.16	0.05	7000	-	0.34	0.16	0.02	13000	0.14
Actual Contributions	2.31	0.18	0.06	6000	-	0.17	0.16	0.05	7000	-	0.16	0.16	0.02	13000	-
Net assets/(liability) recognized in balance sheet as at 31st March, 2010															
Present value of Defined Benefit Obligation	3.36	2.72	1.99	77000	0.71	3.12	2.34	1.84	81000	0.64	2.96	2.65	0.30	83000	0.49
Fair value of plan assets	4.19	-	-	-	0.53	1.78	-	-	-	0.49	1.61	-	-	-	0.46
Funded status [Surplus / (Deficit)]	0.83	(2.72)	(1.99)	(77000)	(0.18)	(1.34)	(2.34)	(1.84)	(81000)	(0.15)	(1.35)	(2.65)	(0.30)	(83000)	(0.03)
Net asset / (liability) recognized in balance sheet	0.83	(2.72)	(1.99)	(77000)	(0.18)	(1.34)	(2.34)	(1.84)	(81000)	(0.15)	(1.35)	(2.65)	(0.30)	(83000)	(0.03)
Change in Defined Benefit Obligations (DBO) during the year ended 31st March, 2010															
Present Value of DBO at beginning of year	3.12	2.34	1.84	81000	0.64	2.96	2.65	0.30	83000	0.49	2.63	1.36	0.25	86000	0.39
Current Service cost	0.23	0.16	0.09	-	0.03	0.19	0.21	0.01	-	0.01	0.18	0.12	0.01	-	0.01
Interest cost	0.24	0.18	0.14	6000	0.05	0.24	0.21	0.02	7000	0.04	0.20	0.11	0.02	7000	0.03
Plan amendments	-	-	-	-	-	-	-	1.45	-	-	-	-	-	-	-
Actuarial (Gains) / Losses	(0.04)	0.22	(0.02)	(4000)	(0.01)	(0.13)	(0.57)	0.11	(2000)	0.10	0.29	1.21	0.04	3000	(0.03)
Benefits paid	(0.19)	(0.18)	(0.06)	(6000)	-	(0.14)	(0.16)	(0.05)	(7000)	-	(0.34)	(0.15)	(0.02)	(13000)	(0.14)
Present Value of DBO at the end of year	3.36	2.72	1.99	77000	0.71	3.12	2.34	1.84	81000	0.64	2.96	2.65	0.30	83000	0.26

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

Employee Benefits	As at 31st March 2010					As at 31st March 2009					As at 31st March 2008				
	Gratuity	Leave Encasement	Medical	Pension*	Superannuation	Gratuity	Leave Encasement	Medical	Pension*	Superannuation	Gratuity	Leave Encasement	Medical	Pension*	Superannuation
Change in Fair value of Assets during the year ended 31st March, 2010															
Plan assets at beginning of period	1.78	-	-	-	0.49	1.61	-	-	-	0.45	1.66	-	-	-	0.56
Actual return on plan assets	0.23	-	-	-	0.04	0.13	-	-	-	0.04	0.13	-	-	-	0.03
Actual company contribution	2.31	0.18	0.06	6000	-	0.17	0.16	0.05	7000	-	0.16	0.16	0.02	13000	-
Actuarial Gain/(loss)	0.06	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
Benefits paid	(0.19)	(0.18)	(0.06)	(6000)	-	(0.14)	(0.16)	(0.05)	(7000)	-	(0.34)	(0.16)	(0.02)	(13000)	(0.14)
Plans assets at the end of the year	4.19	-	-	-	0.53	1.78	-	-	-	0.49	1.61	-	-	-	0.45
Actuarial Assumptions															
Discount Rate	8.25%	8.25%	8.25%	8.25%	8.25%	8%	8%	8%	8%	8%	8.20%	8.20%	8.20%	8.20%	8.20%
Expected return on plan assets	8%	N.A.	N.A.	N.A.	8%	8.2%	N.A.	N.A.	N.A.	8.2%	8.25%	N.A.	N.A.	N.A.	8.25%
Salary escalation	5%	5%	5%	N.A.	5%	5%	5%	5%	N.A.	5%	5%	5%	N.A.	N.A.	5%
Expected Average remaining working lives of employees (years)	16.01	16.01	N.A.	N.A.	3.50	16.13	16.13	N.A.	N.A.	4.17	16.04	16.04	14.35	N.A.	5.33
Effect of one percentage point change in assumed Medical inflation rate															
Revised DBO as at	One percentage point increase in Medical inflation rate					One percentage point decrease in Medical inflation rate									
31st March, 2010	2.00					1.97									
31st March, 2009	1.86					1.82									

\* Figures given are stated in Rupees

## Notes :

- According to the Actuary, there will be no change in the aggregate of the current service cost and interest cost components of net periodic post employment medical cost for one percentage point increase or decrease in the assumed medical cost trends.
- The Company has not received any break-up of the compositions of investment by category with respect to Gratuity Fund and Superannuation Fund administered and managed by Life Insurance Corporation of India and hence disclosure required for compositions of investment for plan assets under Accounting Standard 15 on Employee Benefits have not been given.
- The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

16. The disclosure under the Micro, Small & Medium Enterprise Development Act, 2006 have been made on the basis of confirmations received from suppliers regarding their status under the said Act :

	Particulars	Amount	
		31.03.10	31.03.09
1.	Outstanding principal amount & interest as on		
	– Principal Amount	0.89	1.34
	– Interest due thereon	Nil	Nil
2.	Amount of interest paid along with the amounts of payment made beyond the appointed day	Nil	Nil
3.	Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	Nil	Nil
4.	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
5.	The amount of further interest remaining due and payable even in succeeding year, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	Nil	Nil

17. The year end foreign currency exposure that have not been hedged by a forward contract (derivative instrument) or otherwise are given below :

	Foreign Currency		Equivalent Rs.	
	31.03.10	31.03.09	31.03.10	31.03.09
Amount payable in foreign currency on account of import of goods and royalty	USD 0.04	USD 0.11	1.86	5.42

18. Disclosures pertaining to Segment Reporting as per AS-17

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis :

Reportable Segments	Lubricants	Wind Power	Total
<b>Revenue</b>			
Net Sales/Income from operations	564.69	0.03	564.72
Total	564.69	0.03	564.72
Allocated expenses	481.05	0.12	481.17
Segment Results	83.64	(0.09)	83.55
Operating Profit	83.64	(0.09)	83.55
Less Interest expenses	0.81	–	0.81
Add Other Income	6.59	–	6.59
Profit for the year	89.42	(0.09)	89.33
<b>Other information</b>			
Segment Assets - Current	230.62	0.03	230.65
Fixed Assets	94.85	17.80	112.65
Total Assets	325.47	17.83	343.30
Segments Liabilities	102.86	–	102.86
Depreciation/Ammortisation	6.07	0.11	6.18

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

19. Information pursuant to the provisions of paragraphs 3 and 4 of Part II of Schedule VI to the Companies Act, 1956 :

(a) Opening and Closing Stock of Goods Produced for Sale :

	Opening Stock 1st April, 2008			Closing Stock 31st March, 2009 Opening Stock 1st April, 2009		Closing Stock 31st March, 2010	
	Unit	Quantity	Rs.	Quantity	Rs.	Quantity	Rs.
Oils	Ltrs.	5,573,911	31.08	5,751,022	39.11	7,377,064	50.93
Greases	Kgs.	841,487	5.68	885,035	6.34	911,573	7.50
			<u>36.76</u>		<u>45.45</u>		<u>58.43</u>

(b) Particulars in respect of Goods manufactured :

Class of Goods	Unit	*Capacity	**Installed	***Actual Production	
		Year ended 31st March, 2010	Year ended 31st March, 2009	Year ended 31st March, 2010	Year ended 31st March, 2009
Oils (Including Synthetic Lubricating Oils)	Ltrs.	92,500,000 per annum	87,198,000 per annum	59,761,030	47,885,613
Greases (Including Petroleum Jelly)	Kgs.	5,300,000 per annum	4,370,000 per annum	7,706,420	6,324,315
Wind Power	Kwh	3MW	—	82,933	—

\* As the company does not come under the purview of the Industries (Development & Regulation) Act, 1951, it is not considered necessary to furnish the licensed capacity.

\*\* Installed capacities are as certified by Company's technical experts.

\*\*\* Includes items rebled and rebranded.

(c) Particulars of Sales and Raw Materials Consumed :

(i) Sales (Inclusive of rebranded sales)

Class of Goods	Unit	Year ended 31st March, 2010		Year ended 31st March, 2009	
		Quantity	Value	Quantity	Value
Oils	Ltrs.	58,134,988	654.55	47,708,502	530.60
Greases	Kgs.	7,679,882	96.18	6,280,767	79.23
Others - scrapped drums & Containers			0.82		0.65
Wind Power	Kwh	82,933	0.03	—	—
			<u>751.58</u>		<u>610.48</u>

## YEAR ENDED 31ST MARCH, 2010

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

## (ii) Raw Materials Consumed (Excluding Container)

Items	Unit				
Base Oils*	Ltrs.	60,115,436	223.32	48,457,146	238.78
Additives	Kgs.	6,282,809	74.98	5,614,738	59.86
Grease (for rebranding and reblending)	Kgs.	730,186	3.55	649,794	3.09
			301.85		301.73
* Includes materials reblended and rebranded		839,981	4.44	2,255,600	10.41

## (d) Value of Imported and Indigenous Raw Materials (including Containers) and Stores Consumed :

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Value	(%)	Value	(%)
<b>(i) Raw Materials (including containers)</b>				
Imported	56.74	16.44	55.75	16.66
Indigenous	288.50	83.56	278.95	83.34
	<u>345.24</u>	<u>100.00</u>	<u>334.70</u>	<u>100.00</u>
<b>(ii) Stores</b>				
Imported	0.02	1.58	0.20	18.13
Indigenous	1.15	98.42	0.91	81.87
	<u>1.17</u>	<u>100.00</u>	<u>1.11</u>	<u>100.00</u>

## (e) Value of Imports on C. I. F. Basis :

	Year ended 31st March, 2010	Year ended 31st March, 2009
Raw Materials	50.82	54.42
Plant & Machinery	0.02	0.09
Others	-	0.20
	<u>50.84</u>	<u>54.71</u>

## (f) Expenditure in Foreign Currency:

	Year ended 31st March, 2010	Year ended 31st March, 2009
Royalty Remitted	0.61	0.25
Travelling	0.10	0.34
Interest	-	0.29
Others	0.01	0.02
	<u>0.72</u>	<u>0.90</u>

(g) Earnings in Foreign Exchange  
(Reimbursement of Marketing Expenses)

	Year ended 31st March, 2010	Year ended 31st March, 2009
	<u>0.40</u>	<u>0.49</u>

20. Figures for the previous year have been rearranged /regrouped wherever necessary, to confirm to current year classifications.

Signatures to schedule 1 to 16  
on behalf of the Board

Kallol Datta Chairman

S. Basu  
Secretary

Kolkata, 26th May, 2010

R. N.Ghosal Executive Director



YEAR ENDED 31ST MARCH, 2010

(Figures in Rs. Crores)

Information pursuant to the Provisions of Part IV of Schedule VI to the Companies Act, 1956.

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

## I. Registration Details

Registration No.					State Code		Date		Month		Year				
		4	3	5	7	2	1	3	1	0	3	2	0	1	0

Balance Sheet  
Date

## II. Capital raised during the year (Amount in Rs. Crores)

Public Issue										Rights Issue													
										N	I	L									N	I	L
Bonus Issue										Private Placement													
										N	I	L									N	I	L

## III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Crores)

Total Liabilities										Total Assets															
						2	0	6	.	2	6							2	0	6	.	2	6		
Source of Funds :																									
Paid-up Capital										Reserves & Surplus															
						0	.	8	7								2	0	2	.	7	6			
Secured Loans										Unsecured Loans															
										N	I	L									N	I	L		
Application of Funds :																									
Net Fixed Assets										Investments															
						7	7	.	8	7							0	.	6	0					
Net Current Assets										Misc. Expenditure															
						1	2	7	.	7	9											N	I	L	
Accumulated Loss																									
										N	I	L													

TIDE WATER OIL CO. (INDIA), LTD.

YEAR ENDED 31ST MARCH, 2010

(Figures in Rs. Crores)

Information pursuant to the Provisions of Part IV of Schedule VI to the Companies Act, 1956. – (contd.)

IV. Performance of Company (Amount in Rs. Crores) :

Turnover*							Total Expenditure												
				5	6	4	.	7	2					4	8	1	.	9	8
+/- Profit / Loss Before Tax							+/- Profit / Loss After Tax												
+					8	9	.	3	3	+					5	7	.	7	9
Earning Per Share in Rs.							Dividend Rate %												
				6	6	3	.	3	3					5	0	0			

V. Generic names of three principal products / services of company (as per monetary terms)

Item Code No. (ITC Code)

2 7 1 0 0 0 . 4 1

Product Description

L U B R I C A T I N G P E T R O L E U M  
O I L S A N D G R E A S E S

Item Code No. (ITC Code)

2 7 1 0 0 0 . 6 1

Product Description

L U B R I C A T I N G P E T R O L E U M  
O I L S A N D G R E A S E S W I T H  
A D D I T I V E S

Item Code No. (ITC Code)

8 5 0 2 0 0 . 3 1

Product Description

W I N D P O W E R

Kolkata, 26th May, 2010

On behalf of the Board,

**Kalol Datta** Chairman

**R.N. Ghosal** Executive Director

**S. Basu**

Secretary

PROXY

**TIDE WATER OIL CO. (INDIA), LTD.**

Regd. Office : 8, Dr. Rajendra Prasad Sarani, Kolkata 700 001

DP Id :

Client Id :

I/We, .....  
of .....  
.....being a Member/Members of Tide Water Oil Co. (India) Ltd.  
hereby appoint..... of .....  
of failing him ..... of .....  
of failing him ..... of .....

as my/our proxy in my/our absence to attend and vote for me/us, and on my/our behalf, at the Annual General Meeting of the Company to be held on Friday, the 3rd day of September, 2010 and at any adjournment thereof.

As WITNESS my/our hand/hand(s) this ..... day  
of ..... 2010.

Signed by the said.....  

Rs. 1/-  
Revenue  
Stamp

.....

Date :

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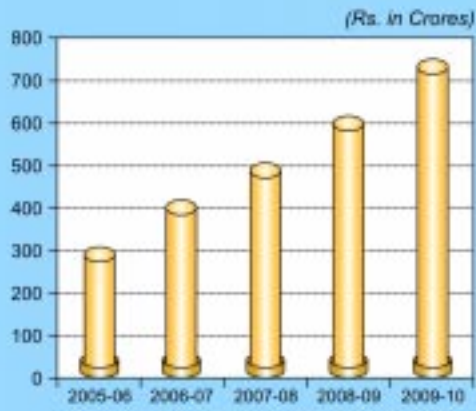
**Note :** The Proxy must be deposited at the Registered Office of the Company at 8, Dr. Rajendra Prasad Sarani, Kolkata 700 001, not less than 48 hours before the time for holding the Meeting.



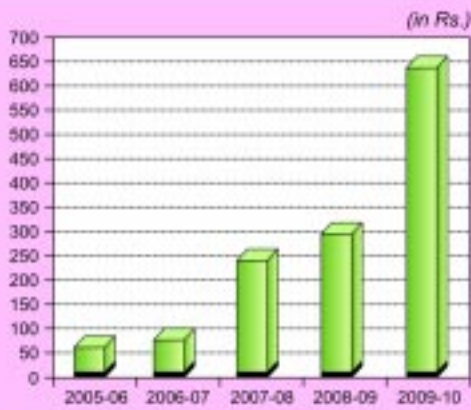
	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10
Sales	179.89	186.63	189.00	218.31	255.75	304.74	420.58	504.83	610.48	751.58
Other Income	1.69	1.48	3.27	2.71	4.79	2.13	2.44	4.09	6.53	6.59
Raw Material Consumed	102.77	98.70	93.79	122.48	152.01	156.73	235.01	243.10	301.72	332.26
Excise Duty	24.29	27.38	27.36	31.04	38.13	48.07	61.15	76.43	81.44	100.18
Expenses	44.68	48.18	56.87	54.44	57.49	88.45	108.63	150.21	183.22	229.41
Interest	2.03	0.72	0.43	1.00	1.06	1.77	3.52	1.36	1.46	0.81
Gross Profit	7.81	13.13	13.82	12.06	11.85	11.85	14.71	37.82	49.17	95.51
Depreciation	2.47	2.17	1.93	1.92	1.81	1.76	1.76	2.50	3.39	6.18
Profit Before Tax	5.34	10.96	11.89	10.14	10.04	10.09	12.95	35.32	45.78	89.33
Taxation	0.65	0.94	1.91	2.47	2.69	2.56	3.98	12.14	18.23	31.54
Profit After Tax	4.69	10.02	9.98	7.67	7.34	7.53	8.97	23.18	27.55	57.79
Dividend	0.44	0.44	0.87	0.87	0.87	1.31	1.31	1.74	2.61	4.36
Dividend (%)	50.00	50.00	100.00	100.00	100.00	150.00	150.00	200.00	300.00	*500.00
Net Fixed Assets	23.41	21.41	20.47	19.69	18.86	18.63	20.99	27.69	42.14	77.87
Investments	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Net Current Assets	44.58	58.60	60.57	84.22	81.16	114.86	98.25	103.66	111.13	127.79
Misc. Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets	68.60	80.61	81.64	104.52	100.62	134.09	119.85	131.95	153.87	206.26
Share Capital	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87
Reserves / Surplus	62.50	70.51	79.51	86.10	92.37	98.81	104.77	125.81	150.21	202.76
Net Worth	60.39	68.51	77.60	84.28	90.63	97.16	103.22	124.36	148.85	201.56
Borrowing	5.23	7.82	9.66	16.52	6.33	33.77	14.25	5.95	2.99	0.00
EPS (Rs.)	53.83	115.02	114.65	88.07	84.29	86.38	102.96	266.04	316.23	663.33
Debt Equity Ratio	0.09	0.11	0.00	0.20	0.07	0.35	0.14	0.05	0.02	0.00
No. of Ordinary Shares	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.087	0.09
Book Value Per Share (Rs.)	693.22	786.43	890.76	967.35	1040.31	1115.29	1184.81	1427.45	1708.58	2313.60

Figures in Rs. Crores unless otherwise indicated  
\*Proposed - 500%

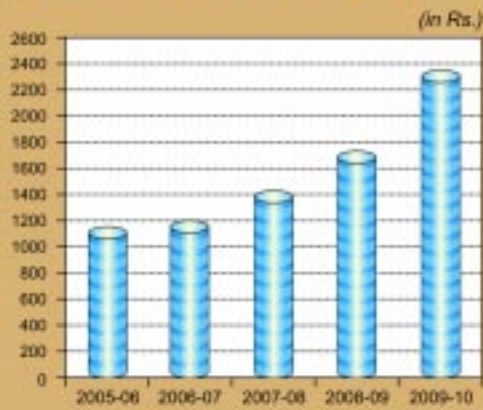
### SALES REVENUE



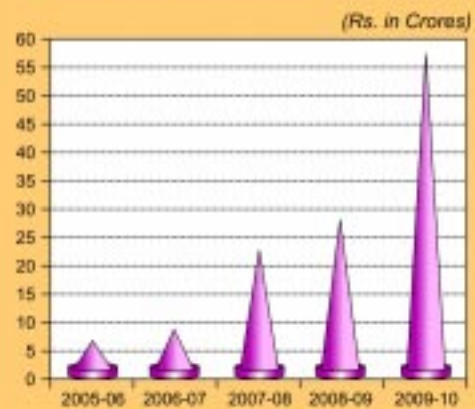
### EPS



### BOOK VALUE PER SHARE



### PROFIT AFTER TAX



### PROFIT BEFORE TAX

