

**Board of Directors**

KALLOL DATTA  
I. SENGUPTA  
SUBIR DAS  
ASHIM MUKHERJEE  
A. K. DATTA  
S. S. MAHLAWAT  
R. N. GHOSAL

**Secretary**

S. BASU

**Auditors**

DELOITTE, HASKINS & SELLS

**Registered Office**

'YULE HOUSE'  
8, DR. RAJENDRA PRASAD SARANI  
KOLKATA 700 001

**MUMBAI OFFICE**

1301-1306, 13th Floor  
Kesar Solitaire  
Plot No. 5, Sector-19  
Palm Beach Road  
Sanpada (East)  
Navi Mumbai - 400 705

**DELHI OFFICE**

1201-1207, 'A' Block, 12th Floor  
Naurang House  
21, Kasturba Gandhi Marg,  
New Delhi -110 001

**CHENNAI OFFICE**

"Seshachalam Centre"  
10th Floor  
636/1, Anna Salai  
Nandanam  
Chennai - 600 035

### 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 Wednesday, the 20th day of July, 2011 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, 2011, 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, 2011.
- 3) To appoint a Director in place of Shri K. Datta, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution :-

“RESOLVED that Messrs. Ray & Ray, 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.”

#### SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification the following resolutions :

- 5) As an Ordinary Resolution  
“RESOLVED that Shri Arun Kumar Datta be and is hereby appointed a Director of the Company.”
- 6) As an Ordinary Resolution  
“RESOLVED that Shri S. S. Mahlawat be and is hereby appointed a Director of the Company.”

The Register of the Members and the Transfer Register of the Company will remain closed from 14th July, 2011 (Thursday) to 20th July, 2011 (Wednesday) both days inclusive.

Registered Office :

“Yule House”

8, Dr. Rajendra Prasad Sarani,

Kolkata - 700 001

Dated : 30th May, 2011

By Order of the Board

**S. Basu**

General Manager (F) & Company Secretary

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

#### Item No. 5

Shri A. K. Datta was appointed as Additional Director of the Company with effect from 20th April, 2011. Accordingly, he will hold office up to the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a member proposing the appointment of Shri Datta as a Director of the Company at this Annual General Meeting and Shri Datta has consented to act as such, if appointed.

Shri Datta holds a Bachelor Degree alongwith Post-graduate Diploma in Marketing. He has considerable experience in Retail and Institutional Sales, Corporate Business Development, Project Management and Administrative Functions.

The Board recommends appointment of Shri A. K. Datta as a Director.

No Director other than Shri A. K. Datta has any interest or concern in the proposed resolution.

**Item No. 6**

Shri S. S. Mahlawat was appointed as Additional Director of the Company with effect from 30th May, 2011. Accordingly, he will hold office up to the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a member proposing the appointment of Shri Mahlawat as a Director of the Company at this Annual General Meeting and Shri Mahlawat has consented to act as such, if appointed.

Shri Mahlawat holds a Master Degree in Arts. He has considerable experience in the area of Planning and Administration.

The Board recommends appointment of Shri S. S. Mahlawat as a Director.

No Director other than Shri S. S. Mahlawat has any interest or concern in the proposed resolution.

- 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, Chartered Accountants, the retiring Auditors has expressed their unwillingness to be re-appointed as Auditors of the Company for the financial year 2011-12. The Company has received an approach from Messrs. Ray & Ray, Chartered Accountants, who has expressed their willingness and eligibility to conduct the statutory audit of the Company for the year ended 31st March, 2012, and accordingly their name has been proposed for appointment. Section 224A 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 in the Register of Members of the Company on 20th July, 2011.
  - (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 20th July, 2011.
  - (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 205A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 2003, 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, 2004 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 K. Datta</b>	<b>Shri A. K. Datta</b>	<b>Shri S. S. Mahlawat</b>
Date of Birth	10th March, 1953	14th June, 1947	15th March, 1954
Date of Appointment	23rd July, 2004	20th April, 2011	30th May, 2011
Expertise in specific functional area	Administrative & Management Functions	Retail and Institutional Sales, Corporate Business Development, Project Management & Administrative Functions	Planning and Administrative Functions
Qualification	BE (Mech.) from Kolkata University and M. Tech. (Industrial Engineering) from IIT, Kharagpur	BE (Mech.), PGDBM	M.A.
Shareholding in the Company	Nil	Nil	Nil
List of other Public Limited Companies in which directorship held	<ol style="list-style-type: none"> <li>1. Andrew Yule &amp; Company Limited</li> <li>2. Hooghly Printing Company Limited</li> <li>3. Yule Agro Industries Limited</li> <li>4. Yule Electrical Limited</li> <li>5. Yule Engineering Limited</li> <li>6. The Bengal Coal Company Limited</li> <li>7. The New Beerbhoom Coal Company Limited</li> <li>8. Katras Jherriah Coal Company Limited</li> <li>9. Webfil Limited</li> <li>10. New Town Telecom Infrastructure Development Co. Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. The India Cements Limited</li> <li>2. Electrical Manufacturing Company Limited</li> <li>3. Trinetra Cement Limited (formerly Indo-Zinc Limited)</li> </ol>	Nil
Chairman / Member of the Committees of the Board across all public companies in which he is a Director	Chairman of Committee of Board of Directors - Andrew Yule & Co. Ltd. Member of Committee of Board of Directors - Webfil Limited	Member of Remuneration Committee - Electrical Manufacturing Company Limited	N.A.
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman - Committee of Board of Directors	Member - Audit Committee Chairman - Remuneration Committee Member - Compensation Committee	Member - Audit Committee Member - Remuneration Committee

## 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, 2011.

	Amount (Rupees in crores)	
	Year ended 31st March, 2011	Year ended 31st March, 2010
The Accounts before charging depreciation show a profit of	104.17	95.51
From which has been deducted :		
Depreciation (Net)	9.71	6.18
Provision for Taxation	<u>30.30</u>	<u>40.01</u> 64.16
		<u>31.54</u> 37.72
To which is added the balance brought forward from the last accounts of	<u>129.46</u>	<u>82.53</u>
	193.62	140.32
The Directors have transferred to General Reserve	<u>6.42</u>	<u>5.78</u>
Leaving a balance of	187.20	134.54
And the Directors now recommend a dividend @ 600% (p.y. 500%) on the Ordinary Shares amounting to	5.23	4.36
Tax on Dividend	<u>0.85</u>	<u>0.72</u>
Leaving a balance to be carried forward of	<u>181.12</u>	<u>129.46</u>

### PERFORMANCE

Your Company posted another year of satisfactory performance. The turnover recorded was the highest-ever in the history of the Company at Rs. 861.42 crores as compared to Rs. 751.58 crores in the previous year, an increase of 14.61 %

The incessant rise in the crude oil prices during the year resulted in escalation of raw material prices, thereby putting the margins under pressure, but your Company partially hedged its needs with timely procurement of base oil both from domestic and international sources, keeping the cost pressures within manageable limits. Despite the above, your Company achieved a Profit Before Tax of Rs. 94.46 crores as compared to Rs. 89.33 crores in the previous year primarily due to continued focus on niche segments and efficiency in procurement of raw material.

The lubricants market remained largely sluggish due to increased usage of long - drain lubes. However, your Company has been able to maintain its performance due to its continued focus on the bazaar segment. Enhancement of brand equity also remained a major focus area during the year which your Company addressed by adopting a more customer - oriented approach, executing extensive campaigns on the electronic media and undertaking elaborate field level activities. With the plethora of lubricant options for customers, your Company has been able to differentiate its products by entering into a tie up with a few leading Original Equipment Manufacturers (OEM) due to its superior R&D capabilities.

The Company's plants at Silvassa, Oragadam and Ramkristopur continue to be accredited under ISO 9001:2008 quality standards. The Silvassa and Oragadam Plants had also obtained accreditation under ISO 14001:2004 for environmental standards.

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

### WIND ENERGY PROJECT

During the year 2010-11, the revenue generated from the wind energy project amounted to Rs. 2.01 crores. With the on-going Governmental support this sector is expected to display improving performance. Cash profits are being generated from the first year. The expected saving in tax of Rs. 0.88 crores due to accelerated depreciation has been accounted for.

### DIVIDEND

In view of the satisfactory financial results, your Directors have the pleasure in recommending a Dividend of 600% (Rs.60.00 per Ordinary Share) on the Ordinary Shares for the financial year 2010-11 as against 500% (Rs. 50.00 per Ordinary Share) for the

previous year to the equity shareholders of the Company.

#### **EMPLOYEE WELFARE SCHEME**

In terms of the approval of the shareholders dated 2nd March, 2011, your Company implemented Tide Water Oil Company (India) Limited Employee Welfare Scheme, 2010-11, for granting / allotting options upto 3% of the paid-up share capital of the Company, to the eligible employees of the Company through Tide Water Oil Company (India) Limited Employee Welfare Trust. This Trust has been constituted for the purpose of acquisition of Ordinary Shares of the Company from the secondary market, holding the Ordinary Shares and allocation / transfer of these shares from time to time in line with the terms and conditions specified under the Scheme. Till date, the Trust has purchased 22,425 Ordinary Shares and the Scheme is being administered by Compensation Committee of the Board of Directors.

#### **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.

#### **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, 2011, 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, 2011 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**

Shri Arun Kumar Datta and Shri S. S. Mahlawat have been appointed as Additional Directors with effect from 20th April, 2011 and 30th May, 2011 respectively. They will hold office upto the date of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received notices under Section 257 of the Companies Act, 1956 proposing their appointment as Director.

In accordance with the provisions of the Companies Act, 1956 and your Company's Articles of Association, Shri K. Datta retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

The brief resume / details relating to Shri K. Datta, Shri A. K. Datta and Shri S. S. Mahlawat, are furnished in the Notice of the ensuing Annual General Meeting.

Shri Ved Prakash and Dr. Gulshan Raj resigned from the Board of Directors of the Company with effect from 29th October, 2010 and 20th April, 2011 respectively. The Board of Directors place on record the valued guidance received from them during their tenure of directorship in the Company.

## **AUDITOR AND AUDITOR'S REPORT**

Messrs. Deloitte Haskins & Sells, Chartered Accountants, the retiring Auditors expressed their unwillingness to be re-appointed as Auditors of the Company for the financial year 2011-12. The Company has received an approach from Messrs. Ray & Ray, Chartered Accountants, who have expressed their willingness and eligibility to conduct the statutory audit of the Company for the year ending 31st March, 2012. Members are requested to consider the appointment of Messrs. Ray & Ray, Chartered Accountants, as the Statutory Auditors of the Company for financial year ending 31st March, 2012 and authorise 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. Conventional Screw and Gear pumps for handling chemical additives were replaced by Energy Efficient Vane pumps (3 Nos.) resulting in energy savings, reducing the batch cycle time & maintenance.
2. Tube lights with normal ballasts were replaced with electronic ballasts (30 Nos.) to reduce electrical power consumption.

#### **Turbhe :**

1. Bulk handling of major chemical additives supplied in ISO tanks was introduced during the year to reduce batch cycle time and losses.
2. In 1 Ltr filling machine, the motor conveyor has been replaced by inclined path which allow the empty containers to reach under the filling point using gravitational force which saves electrical energy.

#### **Oragadam :**

1. Provision of VFD for Grease Dosing Pump Motor for improving process efficiency, optimizing batch time as well as power consumption.
2. Modified grease processing sequence and reduced batch cycle time. This in turn resulted in energy saving.
3. Capacitor banks modified to monitor & achieve a PF above 0.95.

**(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 Oragadam, Chennai and R&D Unit at Turbhe, Mumbai. Both these units are equipped with modern testing facilities essential for lubricant 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. NIL  
(last year Rs. 1.44 crores)
  - b) Recurring Rs. 0.91 crores  
(last year Rs. 0.83 crores)
  - c) Total Rs. 0.91 crores  
(last year Rs. 2.27 crores)
  - d) Total R & D Expenditure as percentage of total turnover 0.11 %  
(last year 0.30%)

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

- i) The Company had entered into a technical collaboration agreement with JX Nippon Oil & Energy Corporation (formerly Nippon Oil

Corporation), 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, specially for the Japanese OEM Segment.
- iii) Information regarding imported technology :
  - a) Technology imported from JX Nippon Oil & Energy Corporation (formerly Nippon Oil Corporation), 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.

**C. Foreign Exchange Earnings :**

Foreign Exchange Earnings during the year under review was Rs. 0.65 crores (last year Rs. 0.40 crores) while Foreign Exchange Out-go was Rs. 35.09 crores (last year Rs. 51.56 crores).

**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.

Kolkata  
30th May, 2011

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

## ANNEXURE I

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### Industry Structure & Development

Indian lubricating market witnessed a steady performance during the year under review. Though there had been an all round economic growth, but the rising crude oil prices in the global market downplayed the returns of the sector. While, increase of passenger car, motorcycle population, size of on-highway and off-highway fleets continue to exhibit a positive future, yet the growth of the lubricant industry is expected to be muted in view of technology upgradation. Further, substantial shift in quality level is also envisaged in view of modernization of the vehicles, need for longer life oils and increasingly stringent emission limits, which calls for capital intensive R&D programmes. Your Company with its well diversified basket of products, strong brand recognition and wide distribution network is well equipped to perform steadily in the coming years.

#### Opportunities & Threats

With increasing environmental concerns and need for high quality lubricants to improve fuel economy, the demand for premium lubricants is gaining momentum. Further, with availability of high quality base stocks, the synthetic oil market is also envisaged to mark its presence in the lubricating industry in the coming years. To cater to such increased and varied demands, 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 automotive/industrial 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 sluggish.

#### Segment wise performance

1) Oils & Greases

During the year under review, the turnover of your Company increased by 14.35% and the operating profits also increased by 6.38%.

2) Wind Power

During the year 2010-11, the revenue generated from the project amounted to Rs. 2.01 crores. This sector is expected to yield increased returns in future. Cash profits are being generated from the first year. In addition, expected saving of Income Tax due to accelerated depreciation is more than the loss incurred from this division.

India's rich wind energy resource potential, manufacturing base, growing technical knowledge combined with increasing interest from independent power producers, is likely to have a positive impact in the growth of renewable energy sector in future.

#### Outlook

With regard to the current year your Directors expect the Company to continue its satisfactory performance as in the previous year. However, relentless rise in the crude oil prices and expected increase in prices of raw

materials could result in a pressure on margins of the Company. In view of robust economic growth, the lubricant industry is anticipated to remain healthy and the Company with its background of rich experience and brand salience is expected to continue its growth.

The electricity industry in India is expected to undergo a paradigm change with the increasing need to upgrade outdated transmission and distribution systems fueled by increasing central and state level initiatives to promote wind energy projects and advent of newer technologies in the renewable energy segment. As such, this sector is poised to grow in leaps and bounds in future. Your Company having made its initial foray, is expected to get reasonable returns in future from its wind energy projects and may further expand in this segment in future.

### **Risks & 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 5.07%, profits have risen by 5.74%.

### **Human Resources**

During the year employer/employee relationships remained cordial.

Kolkata  
30th May, 2011

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

## ANNEXURE II

## CORPORATE GOVERNANCE REPORT

## 1. 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 :

## 2. BOARD OF DIRECTORS

*Composition, Category of Directors, their other directorships and the membership of various committees as on 31st March, 2011.*

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

Details of the Board of Directors as on 31st March, 2011 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	1	–	–
Shri I. Sengupta	Director	Non-Executive	8	–	–
Shri S. Das	Director	Non-Executive & Independent	–	–	–
Shri A. Mukherjee	Director	Non-Executive & Independent	–	–	–
Dr. Gulshan Raj	Director	Non-Executive & Independent	–	–	–

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

# only 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 2010-11 on 12th April, 2010, 26th May, 2010, 28th July, 2010, 3rd September, 2010, 29th October, 2010 and 28th January, 2011.

Attendance Record

Name of Director	No. of Board Meetings attended	Annual General Meeting on 3rd September, 2010
Shri K. Datta	6	Yes
Shri R. N. Ghosal	6	Yes
Shri I. Sengupta	6	Yes
Shri S. Das	5	Yes
Shri A. Mukherjee	6	Yes
Dr. Gulshan Raj	2	N.A.
Shri Ved Prakash	2	Yes

Note : Dr. Gulshan Raj joined on 29th October, 2010 and Shri Ved Prakash resigned on 29th October, 2010.

## 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 sub-paragraph (C) of paragraph II of Clause 49 of the Listing Agreement and the role as stipulated in sub-paragraph (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, 2011 was as under :

Name of Director	Designation
Shri A. Mukherjee	Chairman
Shri S. Das	Member
Dr. Gulshan Raj	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.

Shri. R. N. Ghosal, Executive Director and Shri S. Basu, General Manager (Finance) & Company Secretary, remained present at the meetings of the Audit Committee. Shri S. Basu 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 5 meetings of the Audit Committee held during the year on 12th April, 2010, 26th May, 2010, 28th July, 2010, 29th October, 2010 and 28th January, 2011.

The attendance at meetings of the Committee was as under :

Name of Director	Designation	No. of meetings attended during 2010-11
Shri A. Mukherjee	Chairman	5
Shri S. Das	Member	4
Dr. Gulshan Raj	Member	2
Shri Ved Prakash	Member	1

Note : Dr. Gulshan Raj joined on 29th October, 2010 and Shri Ved Prakash resigned on 29th October, 2010.

### 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, 2011 was as under :

Name of Director	Designation
Dr. Gulshan Raj	Chairman
Shri I. Sengupta	Member
Shri S. Das	Member

Note : Dr. Gulshan Raj joined on 29th October, 2010 and Shri Ved Prakash resigned on 29th October, 2010.

Two meetings of the Remuneration Committee were held during the year 2010-11 on 12th April, 2010 and 28th July, 2010, which were being attended by Shri S. Das and Shri I.Sengupta. Shri Ved Prakash was present at the meeting of the Remuneration Committee held on 12th April, 2010 only.

### 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 year 2010-11, are given below :

Particulars	Remuneration Paid (Rs.in Lakhs)
a. All elements of remuneration Package i.e Salary, Perquisites etc.	17.08
b. Commission	5.00
	22.08

- 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 months' 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	42,000/-
Shri I. Sengupta	57,000/-
Shri S. Das	55,000/-
Shri A. Mukherjee	72,000/-
	<u>2,26,000/-</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	Chairman
Shri I. Sengupta	Member
Shri A. Mukherjee	Member

There were 6 meetings of the Committee held during the year on 23rd April, 2010; 1st June, 2010; 21st July, 2010; 23rd August, 2010; 11th October, 2010; and 1st March, 2011.

The attendance at meetings of the Committee was as under :

Name of Director	Designation	No. of meetings held and attended during 2010-11
Shri K. Datta	Chairman	6
Shri I. Sengupta	Member	6
Shri A. Mukherjee	Member	6

#### 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 delays 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 5 (five) 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, 2011.

Shri S. Basu, being General Manager (Finance) & Company Secretary is the Compliance Officer of the Company.

#### COMPENSATION COMMITTEE

This Committee has been formed for administration & superintendence of the Tide Water Oil Company (India) Limited Employee Welfare Scheme, 2010-11, or any other scheme that may be framed by the Board from time to time for the purpose of granting / allotting stock option to the eligible employees of the Company.

The composition of the Committee as on 31st March, 2011 is as under :

Name of Director	Designation
Shri A. Mukherjee	Chairman
Shri I. Sengupta	Member
Dr. Gulshan Raj	Member

Note : Dr. Gulshan Raj joined on 29th October, 2010 and Shri Ved Prakash resigned on 29th October, 2010.

One meeting of the Compensation Committee was held during the year 2010-11 on 3rd September, 2010 which was attended by Shri A. Mukherjee, Shri I. Sengupta and Shri Ved Prakash.

## 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
31st March, 2008	10th September, 2008	10.30 a.m.	Bengal Chamber of Commerce & Industry, Kolkata
31st March, 2009	14th September, 2009	10.30 a.m.	
31st March, 2010	3rd September, 2010	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. 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 3rd September, 2010 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 alongwith 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.

364 numbers of postal forms comprising of 6,04,532 nos. of Ordinary Shares representing 69.39% of the paid up share capital of the Company, had been received out of which 343 numbers of postal ballot forms comprising of 6,03,485 nos. of Ordinary Shares representing 69.27% of the paid up share capital of the Company, were found to be valid.

Details of voting pattern were as under :

Particulars of the Resolution as per Postal Ballot Notice dated 3rd September, 2010	Particulars of forms with assent for the Resolution			Particulars of forms with dissent for the Resolution		
	No. of valid Postal Ballot Forms	No. of Shares	% of Valid Votes	No. of valid Postal Ballot Forms	No. of Shares	% of Valid Votes
Resolution for approving of Tide Water Oil Company (India) Limited Employee Welfare Scheme, 2010-11	311	6,02,548	99.84	32	937	0.16
Resolution for approving constitution of Tide Water Oil Company (India) Limited Employee Welfare Trust	315	6,02,712	99.87	28	773	0.13
Resolution for approving modification of terms and conditions of appointment of Executive Director	310	6,02,575	99.85	33	910	0.15
Resolution u/s 293(1)(d) of the Companies Act, 1956	313	6,02,920	99.91	30	565	0.09
Resolution u/s 293(1)(a) of the Companies Act, 1956	314	6,03,009	99.92	29	476	0.08

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

**DISCLOSURE**

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 15 on Schedule 16 of the Annual Audited Accounts as at 31st March, 2011.

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 20th July, 2011 (Wednesday) at Williamson Magor Hall, Bengal Chamber of Commerce & Industry, 6, N.S.Road, Kolkata - 700 001 at 10.30 a.m.
- ii) Financial Calendar : April to March  
 Financial reporting for quarter ending June, 2011 : Within 14th August, 2011  
 Financial reporting for half-year ending September, 2011 : Within 14th November, 2011  
 Financial Reporting for quarter ending December, 2011 : Within 14th February, 2012  
 Financial Reporting for the year ending March, 2012 : Within 30th May, 2012
- iii) Book Closure : 14th July, 2011 to 20th July, 2011 (both days inclusive).
- iv) Dividend payment date : Within 20th August, 2011.
- 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.

	On 1st April,	On 31st March,	%
	2010	2011	Change
Company's Share Price on CSE	No Trading	No Tading	N.A.
Company's Share Price on BSE	4920.00	6359.25	29.25
BSE SENSEX	17555.04	19445.22	10.77
Company's Share Price on NSE	4919.55	6307.30	28.21
CNX NIFTY	5249.20	5833.75	11.14

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, 2011, 8,55,520 shares comprising 98.20% of the share capital stand dematerialized.

xiv) Plant Location :

Lubricants : Silvassa (Dadra & Nagar Haveli), Turbhe (Maharashtra), Faridabad (Haryana), Oragadam (Tamil Nadu), Ramkristopur (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  
30th May, 2011

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, 2010 TO MARCH, 2011**

Month	Calcutta Stock Exchange		Bombay Stock Exchange		National Stock Exchange		CNX Nifty	
	Highest Rs.	Lowest Rs.	Highest Rs.	Lowest Rs.	Highest Rs.	Lowest Rs.	Highest	Lowest
April, 2010	Not Available		5410.00	4865.00	5499.00	4876.00	5399.65	5160.90
May, 2010	Not Available		5674.00	5020.10	5674.40	5025.05	5278.70	4786.45
June, 2010	Not Available		6048.00	5185.00	6650.00	5160.00	5366.75	4961.05
July, 2010	Not Available		7050.00	5848.00	7050.00	5855.00	5477.50	5225.60
August, 2010	Not Available		10399.00	6680.10	10430.00	6650.00	5549.80	5348.90
September, 2010	Not Available		10699.00	8260.10	10710.00	8255.00	6073.50	5403.05
October, 2010	Not Available		10389.65	9000.00	10350.00	8764.80	6284.10	5937.10
November, 2010	Not Available		9599.00	7055.40	9475.00	7175.00	6338.50	5690.35
December, 2010	Not Available		9166.00	5955.00	9175.85	7025.25	6147.30	5721.15
January, 2011	Not Available		9080.00	7012.80	9080.00	7002.00	6181.05	5416.65
February, 2011	Not Available		7215.00	5816.00	7220.00	5825.00	5599.25	5177.70
March, 2011	Not Available		7100.00	5670.00	7110.00	5946.00	5872.00	5348.20

## ANNEXURE IV

**STATEMENT SHOWING DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH, 2011**

No. of Shares (Range)	No. of Shares	%	No. of Shareholders	%
0 – 500	183865	21.10	13391	99.55
501 – 1000	25435	2.92	34	0.25
1001 – 2000	19934	2.29	14	0.11
2001 – 5000	14729	1.69	6	0.04
5001 – 10000	9500	1.09	1	0.01
10001 & Above	617737	70.91	6	0.04
Total	871200	100.00	13452	100.00

## ANNEXURE V

**SHARE HOLDING PATTERN AS ON 31ST MARCH, 2011**

Category	No. of shares held	Percentage of shareholding
1. FINANCIAL INSTITUTIONS		
a) Life Insurance Corpn. of India	36785	4.22
b) General Insurance & Subsidiaries United India Insurance Co. Ltd.	87453	10.04
c) Nationalised Bank	560	0.06
2. ANDREW YULE & GROUP		
a) Andrew Yule & Co. Ltd.	228390	26.22
b) New Beerbhoom Coal Co. Ltd.	20	0.00
5. TRUST	26150	3.00
6. NONRESIDENT		
a) Non Domestic Co.	2250	0.26
b) Indian Nationals	5250	0.60
c) Foreign Nationals	420	0.05
7. OTHERS		
a) Bodies Corporate	288614	33.13
b) Indian Public	195308	22.42
<b>GRAND TOTAL</b>	<b>871200</b>	<b>100.00</b>

**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) Limited.**

We have examined the compliance of conditions of Corporate Governance by Tide Water Oil Co. (India) Limited, for the year ended on 31st March, 2011 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 : 30th May, 2011

---

**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 2010-11.

Place : Kolkata.

Date : 30th May, 2011

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

**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, 2011, 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 10 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 10 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 8 of Schedule 16 on notes to accounts continues to be considered good even though recovery of the balance appears reasonably uncertain.  
These matter were similarly modified during the last year.
  - f) Subject to the matters described in sub-paragraphs 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, 2011;
    - (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, 2011 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

**For DELOITTE HASKINS & SELLS**  
*Chartered Accountants*  
*Regn. No. 302009E*  
**Abhijit Bandyopadhyay**  
*Partner*  
M/No. 054785

Place : Kolkata  
Date : 30th May, 2011

## ANNEXURE TO THE AUDITORS' REPORT

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

- (i) Having regard to the nature of the Company's business/activities/result, clause (xiii) of CARO is not applicable.
- (ii) In respect of its fixed assets :
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (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.
  - (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.
- (iii) In respect of its inventory :
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (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.
  - (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.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (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.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of 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 :
  - (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.
  - (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.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from public during the year.
- (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.
- (ix) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the 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, 2011 for a period of more than six months from the date they became payable.
  - (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, 2011 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 Tribunal, Deputy Commissioner of Commercial Taxes West Bengal, Appellate Authority Orissa, High Court, Lucknow, Assistant Commissioner Sales Tax, New Delhi.	1979-2005	1.91
Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise Chennai, High Court, Chennai, Commissioner of Central Excise and Customs (Appeals) Central excise, Mumbai	1998-1999 2001-2009	0.63
Central Excise Act, 1944	Service Tax	Commissioner of Appeals Central Excise (Service Tax), Mumbai	2005-2006	0.05
Navi Mumbai Municipal Corporation CESS	Cess	High Court, Mumbai	1998-2004	1.36
Income Tax Act	Income Tax	High Court, Kolkata, ITAT (Appeal) & CIT (Appeal)	1998-2008	1.95
Income Tax Act	Fringe Benefit Tax	ACIT	2005-06	0.006
Haryana Local Area Development Act, 2000	Development Tax	Supreme Court	2007-09	0.30

- (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

M/No. 054785

Place : Kolkata  
Date : 30th May, 2011

TIDE WATER OIL CO. (INDIA), LTD.

**BALANCE SHEET AS AT 31ST MARCH, 2011**

(Figures in Rs. Crores)

SOURCE OF FUNDS	Schedules	31st March, 2011	<u>31st March, 2010</u>
<b>(1) Shareholders' Funds :</b>			
(a) Capital	1	0.87	0.87
(b) Reserves and Surplus	2	260.70	202.76
		<u>261.57</u>	<u>203.63</u>
<b>(2) Loan Funds :</b>			
Secured Loans	3	-	-
Unsecured Loans		-	-
		<u>-</u>	<u>-</u>
<b>(3) Deferred Tax Liability (Net)</b> (Refer Note No.14 on Schedule 16)		2.58	2.63
<b>TOTAL :</b>		<u>264.15</u>	<u>206.26</u>
<b>APPLICATION OF FUNDS</b>			
<b>(1) Fixed Assets :</b>			
(a) Gross Block		116.83	112.65
(b) Less : Depreciation		44.87	35.32
(c) Net Block	4	71.96	77.33
(d) Capital work-in-progress at cost		1.05	0.54
		<u>73.01</u>	<u>77.87</u>
<b>(2) Investments :</b>	5	0.60	0.60
<b>(3) Current Assets, Loans and Advances :</b>			
(a) Inventories	6	168.38	130.13
(b) Sundry Debtors	7	75.01	53.91
(c) Cash and Bank Balances	8	15.91	20.29
(d) Loans and Advances	9	62.66	26.32
		<u>321.96</u>	<u>230.65</u>
<b>Less : Current Liabilities and Provisions :</b>			
(a) Current Liabilities	10	112.52	93.67
(b) Provisions	11	18.90	9.19
		<u>131.42</u>	<u>102.86</u>
Net Current Assets		<u>190.54</u>	<u>127.79</u>
<b>TOTAL :</b>		<u>264.15</u>	<u>206.26</u>
NOTES ON ACCOUNTS	16		

Schedules referred to above form an integral part of the Balance Sheet.  
In terms of our report attached

Kolkata, 30th May, 2011

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, 2011

(Figures in Rs. Crores)

	Schedules	For the year ended 31st March, 2011	For the year ended 31st March, 2010
<b>INCOME</b>			
Sales		861.42	751.58
(Refer Note No. 20 of Schedule 16)			
Less : Discount & Rebates		68.03	87.88
Net Sales (Net of discount & rebates)		793.39	663.70
Less : Excise Duty Recovered on sales		101.84	98.98
Net Sales (excluding excise duty)		691.55	564.72
Other Income	12	7.00	6.59
		698.55	571.31
<b>EXPENDITURE</b>			
Materials Consumed	13	422.14	333.46
Operating & Other Expenses	14	171.38	141.53
Interest	15	0.86	0.81
Depreciation / Amortisation		9.85	6.34
Less : Transferred from Revaluation Reserve		0.14	0.16
		9.71	6.18
		604.09	481.98
Profit before Taxation		94.46	89.33
Less : Provision for Taxation			
Current Tax		30.35	28.71
Deferred Tax		(0.05)	2.83
Profit after Taxation		64.16	57.79
Add : Balance brought forward from last Account		129.46	82.53
Balance available for Appropriation		193.62	140.32
<b>APPROPRIATIONS</b>			
General Reserve		6.42	5.78
Proposed Dividend		5.23	4.36
Tax on Dividend		0.85	0.72
Balance carried to Balance Sheet		181.12	129.46
		193.62	140.32
Basic and Diluted Earnings per share (Note 13 on Schedule 16)		Rs. 736.44	Rs. 663.33

## NOTES ON ACCOUNTS

16

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

In terms of our report attached

For DELOITTE HASKINS &amp; SELLS

Chartered Accountants

Abhijit Bandyopadhyay

Partner

Kolkata, 30th May, 2011

On behalf of the Board,

Kallol Datta Chairman

R.N. Ghosal Executive Director

S. Basu

Secretary

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH, 2011**

(Figures in Rs. Crores)

	<u>31st March, 2011</u>	<u>31st March, 2010</u>
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	94.46	89.33
Adjustments for :		
Depreciation	9.71	6.18
Interest received	(2.64)	(1.92)
Loss / (Profit) on sale of Fixed Assets	(0.04)	0.31
Interest charge	0.86	0.81
Provision for doubtful debts / Advances (Net)	(0.38)	(0.23)
Liabilities no longer required written back	(1.79)	(2.27)
Bad Debts Written Off	—	0.11
Operating Profit before Working Capital changes	<u>100.18</u>	<u>92.32</u>
Adjustments for :		
Trade and Other Receivables	(53.18)	12.11
Inventories	(38.25)	(55.72)
Trade Payables	25.47	16.57
Cash Generated From Operations	<u>34.22</u>	<u>65.28</u>
Direct Taxes Paid	(29.22)	(29.98)
<b>Net Cash from Operating Activities</b>	<b><u>5.00</u></b>	<b><u>35.30</u></b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(5.94)	(41.54)
Proceeds from sale of Fixed Assets	0.10	0.04
Interest Received	2.37	1.85
<b>Net Cash used in Investing Activities</b>	<b><u>(3.47)</u></b>	<b><u>(39.65)</u></b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of Short Term borrowings	—	(2.99)
Interest Paid	(0.86)	(0.81)
Dividend Paid	(5.05)	(3.06)
<b>Net Cash used in Financing Activities</b>	<b><u>(5.91)</u></b>	<b><u>(6.86)</u></b>
Net Decrease In Cash and Cash Equivalents (A+B+C)	<u>(4.38)</u>	<u>(11.21)</u>
Cash and Cash Equivalents at the beginning of the year	20.29	31.50
Cash and Cash Equivalents at the close of the year	<u>15.91</u>	<u>20.29</u>
	<u>(4.38)</u>	<u>(11.21)</u>

In terms of our report attached

Kolkata, 30th May, 2011

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, 2011**

(Figures in Rs. Crores)

<b>SCHEDULE 1</b>	As at 31st March, 2011	As at 31st March, 2010
<b>CAPITAL</b>		
<b>Authorised :</b>		
30,00,000 Ordinary Shares of Rs. 10/- each	3.00	3.00
<b>Issued and Subscribed and Paid-up :</b>		
8,71,200 Ordinary Shares of Rs. 10/- each fully paid	0.87	0.87
	0.87	0.87

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.

2 : Includes 4,70,400 (last year 4,70,400) ordinary shares of Rs. 10/- each fully paid, issued by way of Bonus Shares by capitalisation of General Reserve and Share Premium Account.

**SCHEDULE 2****RESERVES AND SURPLUS****Revaluation Reserve :**

Balance as per last Accounts	2.07		2.23	
Less : Transferred to Profit and Loss Account	0.14	1.93	0.16	2.07

**Share premium Account :**

Balance as per last Accounts		4.39		4.39
------------------------------	--	------	--	------

**General Reserve :**

Balance as per last Accounts	66.84		61.06	
Add : Transfer from Profit and Loss Account	6.42	73.26	5.78	66.84

**Profit and Loss Account**

181.12

260.70

129.46

202.76

**SCHEDULE 3****SECURED LOANS****On Cash Credit/Overdraft Accounts :****From Banks :**

[Secured by (i) hypothecation of Company's stocks and book debts, and also (ii) hypothecation of the Company's movable Plant and Machineries.]

The banks rank pari passu

on prorata basis in point of security.

-

-

-

-

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

## SCHEDULE 4

## FIXED ASSETS

(Figures in Rs. Crores)

Description of Assets	GROSS BLOCK AT COST / VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1st April, 2010	Additions during the year	Assets sold/ scrapped/ adjusted during the year	As at 31st March, 2011	As at 1st April, 2010	During the year	On assets sold/ scrapped/ adjusted during the year	As at 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
<b>A. Tangible</b>										
Land (Freehold)	4.52	–	–	4.52	–	–	–	–	4.52	4.52
Land (Leasehold)	2.66	–	–	2.66	0.16	0.03	–	0.19	2.47	2.50
Buildings	37.03	0.59	–	37.62	9.02	2.64	–	11.66	25.96	28.01
Plant & Machinery	41.92	2.26	–	44.18	19.30	3.54	–	22.84	21.34	22.62
Furniture & Fixture	5.13	1.08	(0.04)	6.17	4.05	0.38	(0.04)	4.39	1.78	1.08
Motor and Other Vehicles	2.05	0.55	(0.32)	2.28	1.15	0.28	(0.26)	1.17	1.11	0.90
Windmill	17.42	–	–	17.42	0.11	2.65	–	2.76	14.66	17.31
<b>TOTAL</b>	<b>110.73</b>	<b>4.48</b>	<b>(0.36)</b>	<b>114.85</b>	<b>33.79</b>	<b>9.52</b>	<b>(0.30)</b>	<b>43.01</b>	<b>71.84</b>	<b>76.94</b>
<b>B. Intangible - Acquired Items</b>										
Software	1.92	0.06	–	1.98	1.53	0.33	–	1.86	0.12	0.39
<b>TOTAL</b>	<b>1.92</b>	<b>0.06</b>	<b>–</b>	<b>1.98</b>	<b>1.53</b>	<b>0.33</b>	<b>–</b>	<b>1.86</b>	<b>0.12</b>	<b>0.39</b>
<b>Grand Total</b>	<b>112.65</b>	<b>4.54</b>	<b>(0.36)</b>	<b>116.83</b>	<b>35.32</b>	<b>9.85</b>	<b>(0.30)</b>	<b>44.87</b>	<b>71.96</b>	<b>77.33</b>
<i>As on 31st March, 2010</i>	<i>65.86</i>	<i>50.40</i>	<i>(3.61)</i>	<i>112.65</i>	<i>32.24</i>	<i>6.34</i>	<i>(3.26)</i>	<i>35.32</i>	<i>77.33</i>	<i>–</i>

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, 2011

(Figures in Rs. Crores)

<b>SCHEDULE 5</b>	As at 31st March, 2011	As at 31st March, 2010
<b>INVESTMENTS AT COST UNLESS OTHERWISE STATED</b>		
<b>LONG TERM</b>		
<b>Other than Trade Investment :</b>		
<b>(Refer Note No. 10 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 : 1. Aggregate amount of quoted investments are Rs. 0.60 crores (last year Rs. 0.60 crores). Market value of quoted investments are not available.  
2. Aggregate amount of unquoted investments are Rs. 100 (last year Rs. 100).

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

Raw Materials	77.63	61.69
Finished Products	84.91	58.43
Packing Materials	5.84	10.01
	<u>168.38</u>	<u>130.13</u>

\*Includes in transit Rs. 7.68 crores (last year Rs. 1.07 crores)

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

<b>Considered Good :</b>		
Secured	0.04	0.00*
Unsecured	4.76	0.42
Considered doubtful	2.17	2.55
<b>Other Debts :</b>		
<b>Considered good :</b>		
Secured	5.14	6.13
Unsecured	65.07	47.36
	<u>77.18</u>	<u>56.46</u>
Less : Provision for doubtful debts	2.17	2.55
	<u>75.01</u>	<u>53.91</u>

\* Rs. 47,343

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

(Figures in Rs. Crores)

<b>SCHEDULE 8</b>	As at 31st March, 2011	As at 31st March, 2010
<b>CASH AND BANK BALANCES</b>		
Cash in hand [Including Cheques in hand Rs. 0.90 crores (last year Rs. 0.46 crores)]	0.92	0.48
<b>Balances with Scheduled Banks :</b>		
in Current Accounts	12.67	6.58
in Dividend Accounts	0.13	0.10
in Deposit Accounts	2.19	13.13
	<u>15.91</u>	<u>20.29</u>
<b>SCHEDULE 9</b>		
<b>LOANS AND ADVANCES (Unsecured, Considered Good, unless otherwise stated) :</b>		
Loan to Tide Water Oil Co (India) Limited Employee Welfare Trust (Refer Note No. 7 on Schedule 16)	17.08	—
Accrued interest :	0.03	0.03
Advances recoverable in cash or in kind or for value to be received :		
(Refer Note no. 8 on Schedule 16)	29.78	22.35
Considered doubtful	0.26	0.26
	<u>30.04</u>	<u>22.61</u>
Less : Provision for doubtful advances	0.26	0.26
	29.78	22.35
Advance Payment of Tax and credits in respect of tax paid at source (net of Provision)	3.88	—
Bills Receivable	1.44	—
Balances with Customs, Excise and Post Trust	7.33	3.08
Other Security Deposits :	3.12	0.86
Considered Doubtful	0.00*	0.00*
	<u>3.12</u>	<u>0.86</u>
Less : Provision for doubtful deposits	0.00*	0.00*
	<u>3.12</u>	<u>0.86</u>
	<u>62.66</u>	<u>26.32</u>
*Rs. 39,530		

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011**

(Figures in Rs. Crores)

<b><u>SCHEDULE 10</u></b>	As at 31st March, 2011	<i>As at 31st March, 2010</i>
<b>CURRENT LIABILITIES</b>		
Sundry Creditors		
a) Total outstanding dues of micro enterprises and small enterprises	0.26	<i>0.89</i>
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	87.59	<i>72.10</i>
Investor Education and Protection Fund shall be credited as and when due by the following amounts namely :*		
Unclaimed Dividends	0.13	<i>0.10</i>
Deposits from distributors and others	12.85	<i>11.04</i>
Other Liabilities	11.69	<i>9.54</i>
	<u>112.52</u>	<u><i>93.67</i></u>

\*There is no amount due and outstanding as at 31st March, 2011 to be credited to Investor Education and Protection Fund.

**SCHEDULE 11****PROVISIONS**

Income Tax including Fringe Benefit Tax (net of Advance Tax)	4.80	<i>0.05</i>
Provision for Employees Retirement Benefits	8.02	<i>4.06</i>
Proposed Dividend	5.23	<i>4.36</i>
Tax on Dividend	0.85	<i>0.72</i>
	<u>18.90</u>	<u><i>9.19</i></u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

(Figures in Rs. Crores)

<b>SCHEDULE 12</b>	For the year ended 31st March, 2011	<i>For the year ended 31st March, 2010</i>
<b>OTHER INCOME</b>		
Interest on :		
IDBI Deposits	0.00	<i>0.00*</i>
Fixed Deposits [Tax deducted at source Rs. 0.03 Crores (last year Rs. 0.09 Crores)]	1.35	<i>1.06</i>
Others	1.29	<i>0.86</i>
	<u>2.64</u>	<u><i>1.92</i></u>
Liabilities no longer required written back	1.79	<i>2.27</i>
Discount Received	0.32	<i>0.06</i>
Bad Debts Realised	-	<i>0.14</i>
Profit on Sale of Fixed Assets	0.04	<i>-</i>
Profit on Exchange Fluctuation (Net)	0.30	<i>0.67</i>
Provision for doubtful debts / advances written back	0.49	<i>0.36</i>
Miscellaneous Receipts	1.42	<i>1.17</i>
	<u>7.00</u>	<u><i>6.59</i></u>
*Rs. 30,188		

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

## Raw Material and Packing Material

Opening Stock :	71.70	<i>28.96</i>
Add : Purchased during the period :	<u>452.58</u>	<u><i>387.98</i></u>
	524.28	<i>416.94</i>
Less : Closing Stock :	<u>83.47</u>	<u><i>71.70</i></u>
	440.81	<i>345.24</i>
Finished Goods (INCREASE)/DECREASE IN STOCKS		
Opening Stock	58.43	<i>45.45</i>
Closing Stock	<u>84.91</u>	<u><i>58.43</i></u>
	(26.48)	<i>(12.98)</i>
Excise Duty on increase / (decrease)	7.81	<i>1.20</i>
	<u>422.14</u>	<u><i>333.46</i></u>

## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Figures in Rs. Crores)

**SCHEDULE 14**For the year ended  
31st March, 2011*For the year ended  
31st March, 2010***OPERATING & OTHER EXPENSES**

Salaries, Wages and Bonus	22.76	18.91
Contribution to Provident and Other Funds	1.58	1.65
Contribution to Employees Retirement Benefits	4.53	0.93
Medical and Welfare Expenses	2.19	2.29
Repairs - Buildings	0.33	0.76
Repairs - Machinery	1.19	1.12
Repairs - Others	0.70	0.62
Rent	3.42	2.22
Rates and Taxes	2.09	1.45
Consumption of Stores	1.22	1.12
Distributors' / Agents Commission	4.37	3.77
Power and Fuel	1.62	1.58
Insurance	2.03	1.62
Freight and Cartage	13.95	12.53
Travelling Expenses and Up-Keep of Motor cars	3.78	3.55
Advertising Expenses	11.88	10.94
Depot Operating Expenses	3.77	3.75
Royalty	16.58	9.27
Selling and Marketing Expenses	58.67	49.34
Processing and Filling Charges	5.83	5.77
Bank Charges	1.03	1.12
Directors' fees	0.02	0.02
Provisions for Doubtful Debts / Advances	0.11	0.13
Loss on Fixed Assets scrapped/sold (Net)	—	0.31
Bad Debts written off	—	0.11
Research & Development Expenditure	0.91	0.83
Miscellaneous Expenses	6.82	5.82
	<u>171.38</u>	<u>141.53</u>

**SCHEDULE 15****INTEREST**

On Deposits	0.85	0.66
On Bank Borrowings	0.01	0.06
On Others	—	0.09
	<u>0.86</u>	<u>0.81</u>

**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 the units transmitted to the buyer.

(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, 2011

(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 or its net realizable value whichever is lower.

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

Pursuant to the implementation of ERP system during the year, the company has changed its cost formula from "First In First Out" (FIFO) method to moving weighted average method, the impact of which is not readily ascertainable.

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

SCHEDULE 16 (contd.)

(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, 2011

(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 recognised, 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

	<u>31st March, 2011</u>	<u>31st March, 2010</u>
Contingent Liabilities not provided for :	Rs.	Rs.
a. Bills Discounted	33.54	29.98
b. Income Tax	1.95	3.34
c. Sales tax / VAT	1.91	2.09
d. Excise Demands	0.65	0.65
e. Other disputed claims	0.20	0.20
f. Bank Guarantees	0.05	0.08

3. Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is Rs. 3.58 Crores (last year Rs. 2.44 Crores).

	<u>31st March, 2011</u>	<u>31st March, 2010</u>
Capital Work-in-Progress includes :	Rs.	Rs.
Advance against Capital Items	0.19	0.15
Construction Work in Progress	0.86	0.39
Total	<u>1.05</u>	<u>0.54</u>

5. The Company has reviewed the impairment of assets at year end and noted that none of the assets has been impaired as on 31.03.2011.

6. The Company's significant leasing arrangements are primarily in respect of operating leases for office premises. These leasing arrangements which are non-cancellable are usually renewable on mutually agreeable terms. The agreeable lease rentals charged to the profit and loss account are Rs. 0.73 (last year Rs. Nil). Expected future minimum commitments under such leases are shown below.

<u>Particulars</u>	<u>Amount (Rs.)</u>
Less than one year	1.03
One to five years	1.41
More than five years	Nil

## YEAR ENDED 31ST MARCH, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)

7. The company has instituted a Tide Water Oil Company (India) Limited-Employee Welfare Scheme (TWOC-EWS 2010-11) as approved by the Board of Directors and the Shareholders vide a special resolution by postal ballot on 2nd March, 2011 for allotment of stock options to employees.

The scheme is administered by an independent Tide Water Oil Co. (India) Ltd. Employee Welfare Trust (TWOC-EWT). The purpose of the Trust is acquiring shares from the secondary market and implementing the scheme under the TWOC-EWS 2010-11.

The Company has given interest bearing loan amounting Rs. 17 Crores to TWOC-EWT towards proposed purchase of Company's shares from the market.

8. Loans and advances include Rs. 3.48 Crores (last year Rs. 3.48 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 Crores and the corresponding provision, if any, as may be required is not ascertainable at this stage.

9. (a) The company has incurred revenue expenditure of Rs. 0.91 crores (last year Rs. 0.83 crores) on account of Research & Development expenses the break up of which is as follows :

	<u>31st March, 2011</u>	<u>31st March, 2010</u>
	Rs.	Rs.
Salaries & Wages	0.70	0.69
Consumables	0.05	0.05
Utilities	0.09	0.07
Others	0.07	0.02
Total	<u>0.91</u>	<u>0.83</u>

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

	<u>As on 31st March, 2011</u>		<u>As on 31st March, 2010</u>	
	Building	Equipment	Building	Equipment
Opening Balance	1.32	2.42	0.11	2.19
Addition during the year	Nil	Nil	1.21	0.23
Closing Balance	1.32	2.42	1.32	2.42

10. 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.

## YEAR ENDED 31ST MARCH, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

	<u>31st March, 2011</u>	<u>31st March, 2010</u>
<b>11. Director's Emoluments</b>		
Total Remuneration (excluding sitting fees) includes :	0.22	0.19
i) Salaries and Allowances	0.14	0.12
ii) Contribution to Provident and other funds	0.01	0.01
iii) Estimated value of Perquisites*	0.02	0.03
iv) Commission to Resident Whole time Directors	0.05	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	94.46	89.33
Add : Provision for Doubtful Debts (Net of amounts written back)	0.10	0.13
Director's Sitting Fees	0.02	0.02
Loss on sale/scrap of Fixed Assets	Nil	0.31
Less : Excess Provision for doubtful debts written back	0.49	0.36
Add : Director's Remuneration	0.22	0.19
Profit as per Section 198(1)	<u>94.31</u>	<u>89.62</u>
Note : The impact of actuarial valuation is determined for the Company as a whole. Hence the amount pertaining to the directors is not ascertainable separately.		
b) Remuneration payable to Managing and Wholetime Directors @ 5% on above profits	4.71	4.48
Restricted by the Board of Directors to	0.17	0.16
c) Commission payable to resident Wholetime Director @1%on above profit	0.94	0.90
Restricted by the Board of Directors to	0.05	0.03#
# Since Mr. R. N. Ghosal was appointed as whole time director of the Company w.e.f. 29.07.2009, commission has been computed proportionately.		
<b>12. Miscellaneous expenses include Auditors' Remuneration (excluding service tax) as follows :</b>		
	<u>31st March, 2011</u>	<u>31st March, 2010</u>
(i) Audit Fees	0.06	0.06
(ii) In Other Capacities		
– Tax Audit	0.02	0.02
– Other services (for certificates, reviews, etc.)	0.07	0.11
(iii) Reimbursement of out of pocket expenses	0.01	0.00*
Total	<u>0.16</u>	<u>0.19</u>
* Rs. 44,905		

## YEAR ENDED 31ST MARCH, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)

	<u>2010-11</u>	<u>2009-10</u>
13. Earnings Per Share :		
Net Profit for the year	64.16	57.79
Number of Equity shares (Face value Rs.10/-each)	871,200	871,200
Basic and Diluted earnings per share(Rs.)	736.44	663.33

## 14. Details of deferred Tax Liability/ (Asset) as at 31st March, 2011 are as follows :

	<u>31st March, 2011</u>	<u>31st March, 2010</u>
Timing Difference of depreciation as per tax laws and books	5.97	4.92
Initial disallowance's allowable on payment	(3.39)	(2.29)
Net Deferred Tax Liability/(Asset)	2.58	2.63

## 15. 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, 2011			31st March, 2010		
		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	-	0.22	-	-	0.19	-
2	Sports sponsorship for National Squash Champion & Arjuna Awardee	-	-	0.05	-	-	0.05
3	Purchase of Goods	1.57	-	-	3.46	-	-
4	Sale of Goods	0.10	-	-	0.11	-	-
5	Directors' Fees	0.01	-	-	0.01	-	-
6	Dividend Paid	1.14	-	-	0.69	-	-
7	Rent Paid	1.52	-	-	0.15	-	-
8	Royalty Paid	2.48	-	-	-	-	-
9	Payment for Common Services	3.85	-	-	3.50	-	-
10	Amount due from as of 31st March	0.02	-	-	0.01	-	-
11	Amount due to as of 31st March	0.32	-	-	0.16	-	-

## YEAR ENDED 31ST MARCH, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

SCHEDULE 16 (contd.)**16. Employees Benefits :**

- (a) The Company's contribution to Defined contribution Plans aggregated to Rs.1.42 Crores (last year Rs. 1.35 Crores) for the year ended 31.03.2011 has been recognised under the line item Contribution to Provident and Other Funds on Schedule 14 above .

	<u>2010-11</u>	<u>2009-10</u>
Contribution to Provident Fund	1.40	1.33
Contribution to Employees State Insurance Fund	0.02	0.02
	<u>1.42</u>	<u>1.35</u>

- (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 1.8% to 2.2% 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, 2011

(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 2011					As at 31st March 2010				
	Gratuity	Leave Encas-hment	Medi-cal	Pen-sion*	Super annu-ation	Gratuity	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, 2011										
<b>Components of employer expenses</b>										
Current Service Cost	0.22	0.18	0.09	-	0.03	0.23	0.16	0.09	-	0.03
Interest cost	0.25	0.22	0.16	6,000	0.06	0.24	0.18	0.14	6,000	0.05
Expected return on plan assets	(0.33)	-	-	-	(0.04)	(0.23)	-	-	-	(0.04)
Plan amendment Cost	-	-	-	-	-	-	-	-	-	-
Plan Service Cost	2.96	-	-	-	-	-	-	-	-	-
Actuarial Losses / (Gains)	0.27	0.52	(0.09)	5,000	0.03	(0.10)	0.22	(0.03)	(4,000)	(0.01)
<b>Total expenses recognized in the Statement of Profit &amp; Loss Account</b>	<b>3.37</b>	<b>0.92</b>	<b>0.16</b>	<b>11,000</b>	<b>0.08</b>	<b>0.14</b>	<b>0.56</b>	<b>0.20</b>	<b>2,000</b>	<b>0.03</b>
<b>Actual Contribution and Benefits Payments for year ended 31st March, 2011</b>										
Actual benefit payments	0.68	0.22	0.06	14,000	-	0.19	0.18	0.06	6,000	-
Actual Contributions	0.29	0.22	0.06	14,000	-	2.31	0.18	0.06	6,000	-
<b>Net assets / (liability) recognized in balance sheet as at 31st March, 2011</b>										
Present value of Defined Benefit Obligation	6.42	3.42	2.09	74,000	0.83	3.36	2.72	1.99	77,000	0.71
Fair value of plan assets	4.17	-	-	-	0.58	4.19	-	-	-	0.53
Funded status [Surplus / (Deficit)]	(2.25)	(3.42)	(2.09)	(74,000)	(0.25)	0.83	(2.72)	(1.99)	(77,000)	(0.18)
<b>Net asset/(liability) recognized in balance sheet</b>	<b>(2.25)</b>	<b>(3.42)</b>	<b>(2.09)</b>	<b>(74,000)</b>	<b>(0.25)</b>	<b>0.83</b>	<b>(2.72)</b>	<b>(1.99)</b>	<b>(77,000)</b>	<b>(0.18)</b>
<b>Change in Defined Benefit Obligations during the year ended 31st March, 2011</b>										
Present value of DBO at beginning of year	3.36	2.72	1.99	77,000	0.71	3.12	2.34	1.84	81,000	0.64
Current Service cost	0.22	0.18	0.09	-	0.03	0.23	0.16	0.09	-	0.03
Interest cost	0.25	0.22	0.16	6,000	0.06	0.24	0.18	0.14	6,000	0.05
Plan amendments	2.96	-	-	-	-	-	-	-	-	-
Actuarial (Gains) / Losses	0.31	0.52	(0.09)	5,000	0.03	(0.04)	0.22	(0.02)	(4,000)	(0.01)
Benefits paid	(0.68)	(0.22)	(0.06)	(14,000)	-	(0.19)	(0.18)	(0.06)	(6,000)	-
Present Value of DBO at the end of year	6.42	3.42	2.09	74,000	0.83	3.36	2.72	1.99	77,000	0.71
<b>Change in Fair value of Assets during the year ended 31st March, 2011</b>										
Plan assets at beginning of period	4.19	-	-	-	0.53	1.78	-	-	-	0.49
Actual return on plan assets	0.33	-	-	-	0.04	0.23	-	-	-	0.04
Actual company contribution	0.29	0.22	0.06	14,000	-	2.31	0.18	0.06	6,000	-
Actuarial gain / (loss)	0.04	-	-	-	0.01	0.06	-	-	-	-
Benefits paid	(0.68)	(0.22)	(0.06)	(14,000)	-	(0.19)	(0.18)	(0.06)	(6,000)	-
Plan assets at the end of the year	4.17	-	-	-	0.58	4.19	-	-	-	0.53

## YEAR ENDED 31ST MARCH, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

Employee Benefits	As at 31st March 2011					As at 31st March 2010				
	Gratuity	Leave Encas-hment	Medi-cal	Pen-sion*	Super annu-ation	Gratuity	Leave Encas-hment	Medi-cal	Pen-sion*	Super annu-ation
<b>Actuarial Assumptions</b>										
Discount Rate	8.35%	8.35%	8.35%	8.35%	8.35%	8.25%	8.25%	8.25%	8.25%	8.25%
Expected return on plan assets	8.25%	N.A.	N.A.	N.A.	8.25%	8%	N.A.	N.A.	N.A.	8%
Salary escalation	5%	5%	5%	N.A.	5%	5%	5%	5%	N.A.	5%
Expected Average remaining working lives of employees (years)	16.13	16.13	N.A.	N.A.	2.84	16.01	16.01	N.A.	N.A.	3.50
<b>Effect of one percentage point change in assumed Medical inflation rate</b>										
	One percentage point increase in Medical inflation rate					One percentage point decrease in Medical inflation rate				
Revised DBO as at :										
31st March 2011	2.11					2.07				
31st March 2010	2.00					1.97				
31st March 2009	1.86					1.82				

Employee Benefits	As at 31st March 2011					As at 31st March 2010					As at 31st March 2009					As at 31st March 2008				
	Gratuity	Leave Encas-hment	Medi-cal	Pen-sion*	Super annu-ation	Gratuity	Leave Encas-hment	Medi-cal	Pen-sion*	Super annu-ation	Gratuity	Leave Encas-hment	Medi-cal	Pen-sion*	Super annu-ation	Gratuity	Leave Encas-hment	Medi-cal	Pen-sion*	Super annu-ation
<b>Experience History</b>																				
Present value of Defined Benefit Obligation	6.42	3.42	2.09	74,000	0.83	3.36	2.72	1.99	77,000	0.71	3.12	2.34	1.84	81,000	0.64	2.96	2.65	0.30	83,000	0.49
Fair value of plan assets	4.17	-	-	-	0.58	4.19	-	-	-	0.53	1.78	-	-	-	0.49	1.61	-	-	-	0.46
Funded Status [Surplus / (Deficit)]	(2.25)	(3.42)	(2.09)	(74,000)	(0.25)	0.83	(2.72)	(1.99)	(77,000)	(0.18)	(1.34)	(2.34)	(1.84)	(81,000)	(0.15)	(1.35)	(2.65)	(0.30)	(83,000)	(0.03)
Experience (Gain)/Loss adjustment on plan liabilities	0.37	0.55	(0.06)	6,000	0.03	0.02	0.29	0.04	(3,000)	(0.00)	(0.18)	(0.61)	0.08	(3,000)	0.11	0.16	1.20	0.05	3,000	0.20
Experience (Gain) / Loss adjustment on plan assets	0.04	-	-	-	0.01	0.06	-	-	-	0.00	0.01	-	-	-	0.00	(0.00)	-	-	-	0.00
Experience (Gain) / Loss adjustment on plan liabilities due to change in assumption	(0.05)	(0.03)	(0.03)	(1,000)	(0.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\*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, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

17. 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	
	<u>31.03.11</u>	<u>31.03.10</u>
1. Outstanding principal amount & interest as on		
– Principal Amount	0.26	0.89
– 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

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

	<u>Foreign Currency</u>		<u>Equivalent Rs.</u>	
	<u>31.03.11</u>	<u>31.03.10</u>	<u>31.03.11</u>	<u>31.03.10</u>
Amount payable in foreign currency on				
account of import of goods	USDNIL	USD 0.04	NIL	1.86

19. 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	<u>31.03.2011</u>			<u>31.03.2010</u>		
	Lubricants	Wind Power	Total	Lubricants	Wind Power	Total
<b>Revenue</b>						
Net Sales/Income from operations	689.54	2.01	691.55	564.69	0.03	564.72
Total	689.54	2.01	691.55	564.69	0.03	564.72
Allocated expenses	600.56	2.67	603.23	481.05	0.12	481.17
Segment Results	88.98	(0.66)	88.32	83.64	(0.09)	83.55
Operating Profit	88.98	(0.66)	88.32	83.64	(0.09)	83.55
Less Interest expenses	0.86	–	0.86	0.81	–	0.81
Add Other Income	4.36	–	4.36	4.67	–	4.67
Add Other Unallocable Income	–	–	2.64	–	–	1.92
Profit for the year	92.48	(0.66)	94.46	87.50	(0.09)	89.33
<b>Other information</b>						
Segment Assets	377.38	16.00	393.38	278.68	17.31	295.99
Unallocated Assets	–	–	2.19	–	–	13.13
Total Assets	377.38	16.00	395.57	278.68	17.31	309.12
Segment Liabilities	131.42	–	131.42	102.86	–	102.86
Depreciation/Ammortisation	7.06	2.65	9.71	6.07	0.11	6.18

## YEAR ENDED 31ST MARCH, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

20. 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 Good Produced for Sale

	Opening Stock 1st April, 2009			Closing Stock 31st March, 2010 Opening Stock 1st April, 2010			Closing Stock 31st March, 2011	
	Unit	Quantity	Rs.	Quantity	Rs.	Quantity	Rs.	
Oils	Ltrs.	5,751,022	39.11	7,377,064	50.93	7,297,260	72.52	
Greases	Kgs.	885,035	6.34	911,573	7.50	926,997	12.39	
			<u>45.45</u>		<u>58.43</u>		<u>84.91</u>	

## (b) Particulars in respect of Goods manufactured :

Class of Goods	Unit	*Capacity	**Installed	***Actual Production	
		Year ended 31st March,2011	Year ended 31st March,2010	Year ended 31st March,2011	Year ended 31st March,2010
Oils (Including Synthetic Lubricating Oils)	Ltrs.	92,500,000 per annum	92,500,000 per annum	61,430,142	59,761,030
Greases (Including Petroleum Jelly)	Kgs.	5,300,000 per annum	5,300,000 per annum	7,659,253	7,706,420
Wind Power	Kwh	3MW	3MW	5,979,299	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 reblended and rebranded.

## (c) Particulars of Sales and Raw Materials Consumed :

## (i) Sales (Inclusive of rebranded sales)

Class of Goods	Unit	Year ended 31st March, 2011		Year ended 31st March, 2010	
		Quantity	Value	Quantity	Value
Oils	Ltrs.	61,509,946	755.39	58,134,988	654.55
Greases	Kgs.	7,643,829	104.02	7,679,882	96.18
Others - scrapped drums & Containers		—	—	—	0.82
Wind Power	Kwh	5,979,299	2.01	82,933	0.03
			<u>861.42</u>		<u>751.58</u>

## YEAR ENDED 31ST MARCH, 2011

(All Figures in Rs. Crores unless otherwise mentioned)

## SCHEDULE 16 (contd.)

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

Items	Unit	Year ended 31st March, 2011		Year ended 31st March, 2010	
		Quantity	Value	Quantity	Value
Base Oils	Kgs.	55,686,407	288.50	60,115,436	223.32
Additives	Kgs.	5,986,588	90.55	6,282,809	74.98
Grease	Kgs.	674,080	3.28	730,186	3.55
			<u>382.33</u>		<u>301.85</u>

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

(i) Raw Materials (Including Container)	Year ended 31st March, 2011		Year ended 31st March, 2010	
	Value	(%)	Value	(%)
Imported	37.55	8.52	56.74	16.44
Indigenous	403.27	91.48	288.50	83.56
	<u>440.82</u>	<u>100.00</u>	<u>345.24</u>	<u>100.00</u>
(ii) Stores				
Imported	0.01	0.98	0.02	1.58
Indigenous	1.26	99.02	1.15	98.42
	<u>1.27</u>	<u>100.00</u>	<u>1.17</u>	<u>100.00</u>

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

Raw Materials	33.42	50.82
Plant & Machinery	0.93	0.02
Others	0.01	-
	<u>34.36</u>	<u>50.84</u>

## (f) Expenditure in Foreign Currency :

Royalty Remitted	0.65	0.61
Travelling	0.06	0.10
Interest	-	-
Others	0.02	0.01
	<u>0.73</u>	<u>0.72</u>

(g) Earnings in Foreign exchange :  
(Reimbursement of Marketing Expenses)

	<u>0.65</u>	<u>0.40</u>
--	-------------	-------------

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

Signatures to schedule 1 to 16  
on behalf of the BoardKallol Datta *Chairman*S. Basu  
*Secretary*

Kolkata, 30th May 2011

R. N. Ghosal *Executive Director*

## YEAR ENDED 31ST MARCH, 2011

(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	1

Balance Sheet  
Date

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

Public Issue

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

Rights Issue

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

Bonus Issue

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

Private Placement

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

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

Total Liabilities

				2	6	4	.	1	5
--	--	--	--	---	---	---	---	---	---

Total Assets

				2	6	4	.	1	5
--	--	--	--	---	---	---	---	---	---

Source of Funds :

Paid-up Capital

						0	.	8	7
--	--	--	--	--	--	---	---	---	---

Reserves &amp; Surplus

				2	6	0	.	7	0
--	--	--	--	---	---	---	---	---	---

Secured Loans

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

Unsecured Loans

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

Application of Funds :

Net Fixed Assets

				7	3	.	0	1
--	--	--	--	---	---	---	---	---

Investments

						0	.	6	0
--	--	--	--	--	--	---	---	---	---

Net Current Assets

				1	9	0	.	5	4
--	--	--	--	---	---	---	---	---	---

Misc. Expenditure

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

Accumulated Loss

								N	I	L
--	--	--	--	--	--	--	--	---	---	---

TIDE WATER OIL CO. (INDIA), LTD.

YEAR ENDED 31ST MARCH, 2011

(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												
				6	9	1	.	5	5					6	0	4	.	0	9
+/- Profit / Loss Before Tax							+/- Profit / Loss After Tax												
+					9	4	.	4	6	+					6	4	.	1	6
Earning Per Share in Rs.							Dividend Rate %												
				7	3	6	.	4	4					6	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, 30th May, 2011

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 .....  
or failing him ..... of .....  
or 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 Wednesday, the 20th day of July, 2011 and at any adjournment thereof.

As WITNESS my/our hand/hand(s) this ..... day  
of ..... 2011.

Signed by the said..... 

Rs. 1/- Revenue Stamp
-----------------------------

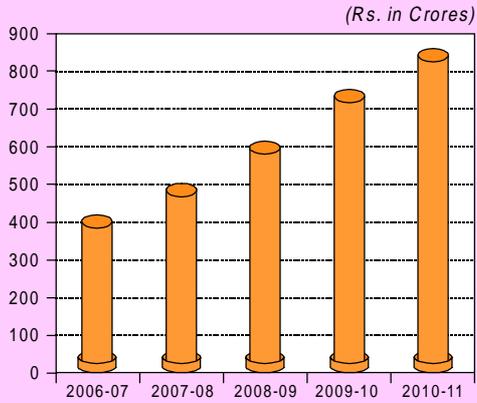
.....

Date :

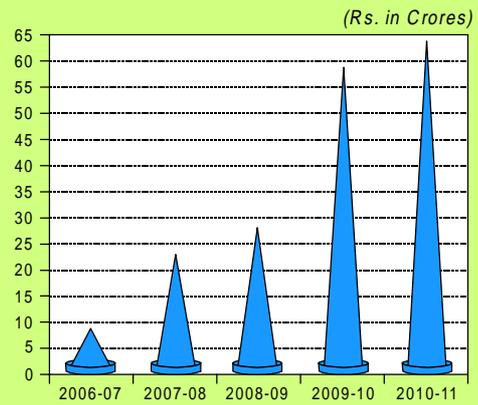
---

**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.

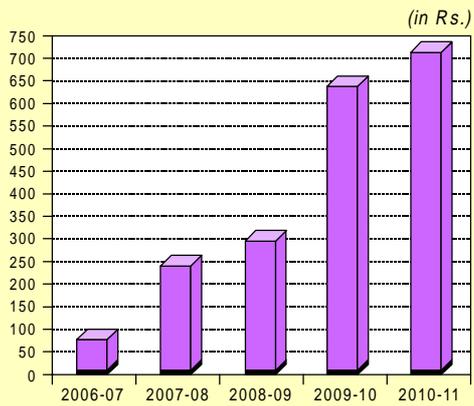
### SALES REVENUE



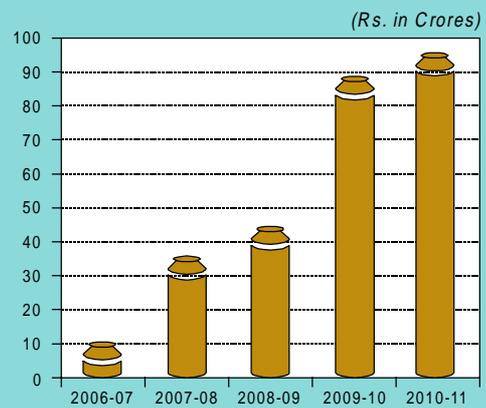
### PROFIT AFTER TAX



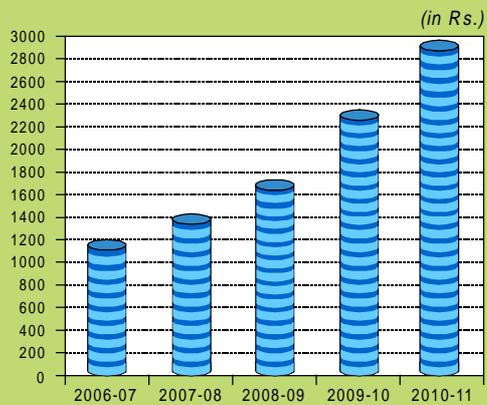
### EPS



### PROFIT BEFORE TAX



### BOOK VALUE PER SHARE





	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11
Sales	186.63	189.00	218.31	255.75	304.74	420.58	504.83	610.48	751.58	861.42
Other Income	1.48	3.27	2.71	4.79	2.13	2.44	4.09	6.53	6.59	7.00
Raw Material Consumed	98.70	93.79	122.48	152.01	156.73	235.01	243.10	301.72	332.26	414.33
Excise Duty	27.38	27.36	31.04	38.13	48.07	61.15	76.43	81.44	100.18	109.65
Expenses	48.18	56.87	54.44	57.49	88.45	108.63	150.21	183.22	229.41	239.41
Interest	0.72	0.43	1.00	1.06	1.77	3.52	1.36	1.46	0.81	0.86
Gross Profit	13.13	13.82	12.06	11.85	11.85	14.71	37.82	49.17	95.51	104.17
Depreciation	2.17	1.93	1.92	1.81	1.76	1.76	2.50	3.39	6.18	9.71
Profit Before Tax	10.96	11.89	10.14	10.04	10.09	12.95	35.32	45.78	89.33	94.46
Taxation	0.94	1.91	2.47	2.69	2.56	3.98	12.14	18.23	31.54	30.30
Profit After Tax	10.02	9.98	7.67	7.34	7.53	8.97	23.18	27.55	57.79	64.16
Dividend	0.44	0.87	0.87	0.87	1.31	1.31	1.74	2.61	4.36	5.23
Dividend (%)	50.00	100.00	100.00	100.00	150.00	150.00	200.00	300.00	500.00	*600.00
Net Fixed Assets	21.41	20.47	19.69	18.86	18.63	20.99	27.69	42.14	77.87	73.01
Investments	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Net Current Assets	58.60	60.57	84.22	81.16	114.86	98.25	103.66	111.13	127.79	190.54
Misc. Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets	80.61	81.64	104.52	100.62	134.09	119.85	131.95	153.87	206.26	264.15
Share Capital	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87
Reserves / Surplus	70.51	79.51	86.10	92.37	98.81	104.77	125.81	150.21	202.76	260.70
Net Worth	68.51	77.60	84.28	90.63	97.16	103.22	124.36	148.85	201.56	259.64
Borrowing	7.82	9.66	16.52	6.33	33.77	14.25	5.95	2.99	0.00	0.00
EPS (Rs.)	115.02	114.65	88.07	84.29	86.38	102.96	266.04	316.23	663.33	736.44
Debt Equity Ratio	0.11	0.00	0.20	0.07	0.35	0.14	0.05	0.02	0.00	0.00
No. of Ordinary Shares	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Book Value Per Share (Rs.)	786.43	890.76	967.35	1040.31	1115.29	1184.81	1427.45	1708.58	2313.60	2980.26

Figures in Rs. Crores unless otherwise indicated  
\*Proposed - 600%