

# **Overseas Synthetics Limited**

## **Twentieth Annual Report**

**2011- 2012**

# Overseas Synthetics Limited

## 20th Annual Report

### Board Of Directors

Shri. Rohit H. Patel	Managing Director
Shri. Dinkar H. Patel	Director
Shri. Mayur V. Shah	Director
Shri. Anirudh C. Sonpal	Director
Shri. Surendra U. Tamboli	Director
Shri. Suresh Prasad Roy	Director

### Auditors:

Messrs Natvarlal Vepari & Co.  
Chartered Accountants,  
Surat.

### Registered Office:

Nutan Estate, Vasta Devdi Road,  
Madhav Baugh, Katargam  
Surat - 395 004.

### Registrar and share transfer agents:

Mcs Limited  
Unit: Overseas Synthetics Limited  
Neelam Appartment, 88, Sampatrao Colony  
Above Chhappan Bhog, Alkapuri  
Vadodara-390 007

### Bankers:

State Bank Of India  
Begampura, Surat-395 003

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## NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of OVERSEAS SYNTHETICS LIMITED will be held on Tuesday, 30th October, 2012, at 10.00 a.m. at its Registered Office situated at Nutan Estate, Vasta Devdi Road, Madhav Baugh, Katargam, Surat-395 004, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2012, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Dinkarbai H. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors of the Company, to hold Office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. Kamalkumar Rajendrakumar Aggarwal be and is hereby appointed as a Director under the provisions of Section 257 of the Companies Act, 1956.
5. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. Nareshkumar Vijaykumar Goyal be and is hereby appointed as a Director under the provisions of Section 257 of the Companies Act, 1956.
6. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. Suresh Prasad Roy, who was appointed as an Additional Director of the Company with effect from 20.12.2011 and who holds office upto the date of this Annual General Meeting under section 262 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation,".
7. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. Surendra Tamboli, who was appointed as an Additional Director of the Company with effect from 20.12.2011 and who holds office upto the date of this Annual General Meeting under section 262 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation,".
8. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. Anirudh Sonpal, who was appointed as an Additional Director of the Company with effect from 20.12.2011 and who holds office upto the date of this Annual General Meeting under section 262 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation,".
9. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the resolution by postal ballot) Rules, 2011, the consent of the members for the following special resolution is sought separately by way of postal ballot.  
**"RESOLVED THAT** pursuant to Section 17, 192A and all other applicable provisions, if any, of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011 including any statutory modifications or re- enactment thereof for the time being in force, the present clause III of the Company's Memorandum of Association be is hereby altered in the manner and to the extent stated below :  
The following sub clause 3 be inserted after the present sub clause 2 in the Main Object Clause III (A) of the Memorandum of Association of the Company:

“(3) To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyer consignors, consignees, agents, stockiest, suppliers of all classes, kinds, types and nature of chemical dyes, pigments and auxiliaries, intermediates including but without limiting the generality of the foregoing heavy chemicals, fine chemicals, organic and inorganic chemicals, pharmaceuticals, drugs and medicinal chemicals, gum, allied chemicals and boiling agents for textiles, paints, cosmetics, pharmaceutical paper, processing, leather, metals, food pigments and other industries made from whatever substance including minerals.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to agree to and accept such modifications, terms and conditions in the newly inserted object clause as may be accepted by the concerned authorities and to modify the same accordingly and obtain confirmation and to do all such acts, deeds, matters and things as may be necessary to implement the aforesaid resolution.

**RESOLVED FURTHER THAT** pursuant to Section 149 (2A) of the Companies Act, 1956, consent of the Board of Directors be and is hereby granted to the Company for commencing the business as stated in the Sub-clause 3 c of the Main Object Clause III (A) of the Memorandum of Association of the Company upon the aforesaid clause becoming effective and that the Board of Directors be and hereby authorised to take up and commence such business at the time and in the manner they deem fit.”

10. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the resolution by postal ballot) Rules, 2011, the consent of the members for the following special resolution is sought separately by way of postal ballot.

“**RESOLVED THAT** pursuant to the provisions of Section 146 (2), 192A and all other applicable provisions, if any, of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001 including any statutory modifications or re-enactment thereof for the time being in force, with effect from 30.10.2012, the Registered Office of the Company be shifted from Nutan Estate, Vasta Devdi Road, Madhav Baugh, Katargam, Surat – 395 004 to Block No 355, Manjusar Kinpad Road Village: Manjusar, Taluka: Savli, Vadodara.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and are hereby authorized, jointly and severally, to take all the necessary actions to implement this resolution”.

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

“**RESOLVED THAT** in the compliance with SEBI Circular No D&CC/FITTC/CIR -15/2002, dated December 27, 2002 and pursuant to Section 163 and other applicable provisions, if any, of the Companies Act, 1956 (“Act), the consent be and is hereby accorded for keeping and maintaining the Register of Members/ Debenture holders together with the Index of the members, Register of Transfer and such other related books, records and documents as may be required with M/s MCS Limited, Neelam Apartment, 88 Sampatrao Colony, B/h. Standard Chartered Bank, Alkapuri, Vadodara-390007 appointed as Registrars and Share Transfer Agent (R&T Agent) of the Company.

**RESOLVED FURTHER THAT** all such acts, deeds and things done /to be done in terms of the above resolution by and with the authority of the Board of Directors be and are hereby confirmed and ratified.”

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 25th October, 2012 to Tuesday, 30th October, 2012 [Both days inclusive].**
3. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
4. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and holidays upto the date of Annual General Meeting.

5. All the work related to share registry in terms of both-physical and electronics are being conducted by Company's R & T Agents - M/s. MCS Limited, Neelam Apartment, 88 Sampatrao Colony, B/h Standard Chartered Bank, Alkapuri, Vadodara-390007. Tel.: 0265-2339397 Fax: 0265-2341639 Email: mcsitdbaroda@yahoo.com . The Shareholders are requested to send their communication to the aforesaid address in future.
6. **Re-appointment and Appointment of Directors:**

At the ensuing Annual General Meeting Mr. Dinkarbhai H. Patel retire by rotation and being, eligible offer himself for re-appointment. Mr. S. P. Roy, Mr. Anirudh Sonpal and Mr. Anirudh Sonpal are being appointed as Independent Directors on the Board. Mr. Kamalkumar Aggarwal and Mr. Nareshkumar Goyal are being appointed as Directors, representing acquirers / new promoters.

As required under Clause 49 of the Listing Agreement, the details pertaining to the Director seeking re-appointment and appointment are furnished in the statement of Corporate Governance.
7. Shareholders are requested to furnish their e-mail id particulars to the Company at the Company's dedicated mail id : overseassltd@gmail.com this will assist the Company in redressing of Shareholder's grievances expeditiously.
8. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, and April 29, 2011 respectively) has undertaken a "Green Initiative in corporate Governance" and allowed companies to share documents with its shareholder through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permit companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their e-mail address for receiving electronic communications.

**By Order of the Board,  
For Overseas Synthetics Limited**

**Yogesh Parmar  
Company Secretary**

**Place: Vadodara  
Date: 15/09/2012**

Regd. Office:  
Nutan Estate, Vasta Devdi Road,  
Madhav Baugh Lane, Katargam,  
Surat- 395 004

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

### **Item No. 2:**

The Company has received a letter dated 13th August, 2012 from M/s. Natvarlal Vepari & Co., Chartered Accountants, Surat, the retiring Auditors expressing their desire not to seek re-appointment as Auditors at the ensuing Annual general Meeting for the Financial Year 2012-13.

The Company has also received a letter dated 13th August, 2012 from M/s. Shah, Mehta & Bakshi, Chartered Accountants, "Prasanna House", Near Associated Society, Akota, Vadodara-390 020 expressing their willingness to act as Statutory Auditors of the Company, if appointed, and confirming their eligibility u/s. 224(1B) of the Companies Act, 1956.

Members are requested to appoint Auditors and fix their remuneration.

### **Item No. 4 & 5**

Mr. Kamal Aggarwal and Mr. Nareshkumar Goyal are respectively proposed to be inducted as Directors under the provisions of Section 257 of the Companies Act, 1956. Requisite Notices along with deposits have been received from Members.

Mr. Kamal Rajendrakumar Aggarwal, aged 50 years, presently residing at A-13, Shivashray Housing Complex, Opp. Raneshwar Temple, Vasana Road Vadodara-390 015, is a Bachelor in Engineering (Petrochemicals). He has more than 26 years of experience in manufacturing of fine and other chemicals and construction and development.

Mr. Nareshkumar Vijaykumar Goyal, aged 54 years, presently residing at Navdeep Bunglow, Behind Aavkar Hall, Karelibaug, Vadodara-390 018 is an under graduate. He has more than 31 years of experience in manufacturing of fine and other chemicals, Laboratory and Industrial Glassware and Construction and Development.

None of the Directors on the Board are in any way concerned / interested in this resolution.

Yours Directors recommend the resolutions at Item No. 4 and 5 for your approval.

### **Item No. 6, 7 & 8:**

The Company has initiated the steps towards revocation of suspension of trading in its equity shares. In the said direction, while complying with the provisions of corporate governance under clause 49 of the listing agreement, the Board of Directors at its meeting held on 20.12.2011 had respectively appointed Mr. S. P. Roy, Mr. Anirudh Sonpal and Mr. Anirudh Sonpal as Independent Directors on the Board and also re-constituted various Committees of the Directors.

Mr. S. P. Roy, aged 70 years is a member of The Institute of Companies Secretaries of India and Institute of Cost and Works Accountants of India. He is having rich experience of more than 40 years in corporate laws, labour legislations, production, costing etc. and held various positions in the Industries. He is presently offering his services as Independent Director and Management Consultant. Mr. S. P. Roy does not hold any other directorships.

Mr. Anirudh Sonpal, aged 52 years is a member of The Institute of Chartered Accountants of India. He is having rich experience of more than 25 years in income tax, service tax, audit, finance etc. He is presently practicing as Chartered Accountant at Vadodara. Mr. Anirudh Sonpal holds directorship in Flexituff International Limited.

Mr. Surendra Tamboli, aged 57 years is a member of The Institute of Companies Secretaries of India. He is having rich experience of more than 30 years in corporate laws, accounts, finance and labour legislations etc. and held various positions in the Industries. He is presently practicing as Company secretary at Vadodara. Mr. Surendra Tamboli holds directorship in Jord Engineering India Limited and Modern Tube Industries Limited, both being listed companies.

In terms of section 262 of the Companies Act, 1956, Mr. S. P. Roy, Mr. Anirudh Sonpal and Mr. Surendra Tamboli respectively holds office as Director till the ensuing Annual General Meeting of the Company. The Company has received notices under section 257 of the Companies Act, 1956 from members proposing the respective names of Mr. S. P. Roy, Mr. Anirudh Sonpal and Mr. Surendra Tamboli as candidate for the office of Director of the Company.

None of the Directors on the Board are in any way concerned / interested in this resolution.

Yours Directors recommend the resolutions at Item No. 6, 7 and 8 for your approval.

### **Item No. 9 & 10:**

As members are aware, your Company has stopped its manufacturing activity for last several years and also discontinued trading activity for last couple of years. Further, during the financial year ended 31.03.2012, the Company finally disposed off its balance immovable properties including factory land and building situated at Nutan Estate, Vasta Devdi Road, Madhav Baugh, Katargam, Surat-395 004.

As a matter of fact, the erstwhile promoters of the Company namely, Mr. Haribhai R Patel, Mr. Rohitbhai H Patel, Mrs.

Geeta Rohitbhai Patel, Mr. Mehulbhai H Patel and Mr. Dinkarbhai H Patel have transferred their entire shareholdings representing 58.83% of the present voting capital of the Company, in favour of acquirers / new group of promoters namely, Mr. Nareshkumar Vijaykumar Goyal, Mrs. Shubharangana Nareshkumar Goyal, Mr. Navdeep Nareshkumar Goyal Mr. Kamal Rajendra Aggarwal and Mrs. Minal Kamal Aggarwal of Vadodara who have vide their Letter of Offer dated 24th July, 2012, made an Open Offer to the Shareholder(s) of the Company and could acquire total 78,317 equity shares (equivalent to 1.10% of Company's paid up capital) from the shareholders

On completion of Offer as mentioned above and on completion of related formalities thereto, the Acquirers finally acquired and now holds in aggregate 42,58,293 (representing 59.94 % of Company's paid up capital) and they have taken over the control and management of the Company from the existing Promoters.

The said acquirers / new group of promoters have commendable experience in manufacturing of fine and other chemicals, Laboratory and Industrial Glassware and Construction and Development and with their wisdom and available infrastructure, they intend to put the Company in to its right perspective with various corporate strategies and actions. Accordingly, it is proposed to insert sub-clause 3 after existing sub-clause 2 in the Main Object Clause III (A) to the Memorandum of Association of the Company in terms of the provisions of Section 17 of the Companies Act, 1956. As per Section 149(2A) of the Companies Act, 1956, it would be necessary for the members to accord their approval to the Company for commencing the activity as set out in the newly inserted sub-clause 3 of the memorandum of Association of the Company.

Moreover, since the new promoters as well as other directors of the Company are located at Vadodara, to carry on the business activities more economically and efficiently, it would be beneficial to shift the registered office of the Company from Surat to Vadodara, which falls within the same State of Gujarat. In accordance with the provisions of Section 146(2) of the Companies Act, 1956, the proposed change in place of registered office would require approval of the shareholders at their general meeting by passing a Special Resolution.

The Directors therefore recommend the proposed the Special Resolutions as set out at item number 9 and 10 of this notice for approval of the Members.

None of the Directors of the Company are interested in passing of this resolution.

**As per the provisions of section 192A of the Companies Act, 1956 and the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the consent of the shareholders for the resolutions as set out at item number 09 (under section 17) and 10 (under section 146(2)) of this Notice are required to be obtained by means of postal ballot. Accordingly, a postal ballot form is being sent, separately, to all the members. The Result of the Postal Ballot will be declared at the ensuing 20th Annual general meeting of the Company to be scheduled on 30th October, 2012 at its registered office situated at Surat.**

#### **Item No. 11:**

Securities Exchange Board of India (SEBI) vide its circular dated December 27, 2002 has mandated the listed Companies to maintain all the work related to Share registry (both the physical share facility and demat segment) at a single place. Accordingly, the Board of Directors has appointed M/s MCS Limited, Neelam Apartment, 88 Sampatrao Colony, B/h Standard Chartered Bank, Alkapuri, Vadodara-390007 who is duly registered with SEBI, as common Registrar and Transfer Agent of the Company with effect from 21st June, 2011, both for physical and demat mode.

Approval of members is sought, in the terms of Section 163 of the Companies Act, 1956 for shifting Register of Members together with the Index of the Members, Register of Transfer and such other related books, records and documents from the Registered Office to M/s MCS Limited, Neelam Apartment, 88 Sampatrao Colony, B/h Standard Chartered Bank, Alkapuri, Vadodara-390007.

Your Directors recommend the special resolution.

None of the Directors are, in any way, concerned or interested in the aforesaid resolution.

**By Order of the Board,  
For Overseas Synthetics Limited**

**Place: Vadodara  
Date: 15/09/2012**

**Yogesh Parmar  
Company Secretary**

Regd. Office:  
Nutan Estate, Vasta Devdi Road,  
Madhav Baugh Lane, Katargam,  
Surat- 395 004

## DIRECTORS' REPORT

To,

The Members,

The Directors are pleased to present the Twentieth Annual Report and the Audited Accounts of the Company for the year ended on 31st March, 2012.

### 1. FINANCIAL RESULTS

Particulars	31.03.2012	31.03.2011
Operating Revenue	Nil	20.72
Others	8.62	17.91
Total Income	8.62	38.63
Expenditure	6.16	24.95
Profit / (Loss) before Exceptional & Extraordinary items & Tax	2.46	13.68
Exceptional Items	185.03	Nil
Finance Charges	Nil	Nil
Depreciation	Nil	Nil
Profit / (Loss) before Tax	187.49	13.68
Provisions and write offs	NIL	NIL
Provision for tax (current)	NIL	NIL
Fringe Benefit Tax	NIL	NIL
Deferred Tax Added back/written off	NIL	39.24
Profit / (Loss) after tax	187.49	52.92
Excess (short) provision of earlier year written off / back (net)	NIL	Nil
Balance brought forward from previous year	(923.49)	(976.40)
Loss carried to Balance Sheet	(736.00)	(923.49)

During the year under review, the Company did not carry out any operational activity. The other income of Rs. 8.62 lacs is on account of rent received on letting out Company's factory premises for the year 2011-12 and the same has been dis-continued from April, 2012. The exceptional income of Rs. 185.03 refers to profit arisen on disposal of balance immovable properties of the Company including its factory land and building situated at Nutan Estate, Vasta Devdi Road, Madhav Baugh, Katargam, Surat-395 004. The execution of sale deed for the aforesaid disposal of immovable properties in favour of the buyer is pending and the same would be executed in due course.

### 2. DIVIDEND

In view of carried forward losses, your Directors do not recommend any dividend on the Equity Share Capital.

### 3. Open Offer:

During the period under review, the existing promoters of the Company namely, Mr. Haribhai R Patel, Mr. Rohitbhai H Patel, Mrs. Geeta Rohitbhai Patel, Mr. Mehulbhai H Patel and Mr. Dinkarbhai H Patel (the promoters), have entered into a Share Purchase Agreement ("Agreement"), on 22nd November, 2011 with Mr. Nareshkumar Vijaykumar Goyal, Mrs. Shubharangana Nareshkumar Goyal and Mr. Navdeep Nareshkumar Goyal, Mr. Kamal Rajendra Aggarwal and Mrs. Minal Kamnal Aggarwal of Vadodara (the Acquirers) for sale of their entire Promoters holding constituting 41,79,976 Equity Shares, each fully paid up, representing 58.83% of the present voting capital of the Company, at a price of Rs. 3/- per fully paid Share for cash consideration.

This Agreement has necessitated for the Acquirers to make an Open Offer in terms of Regulation 3(1) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 2011.

Accordingly, the Acquirers vide their Letter of Offer dated 24th July, 2012 made an Open Offer to the Shareholder(s) of the Company (other than the aforesaid Promoters) to acquire up to 18,47,224 fully paid up Equity Shares of the Company of Rs.10/- each, representing in aggregate 26% of the paid up Equity Share Capital and voting capital, at a price of Rs. 3.18/- per share payable in cash subject to the terms and conditions mentioned in the said Letter of Offer.



The Offer was made open on 6th day of August, 2012 and was closed on 24th day of August, 2012 (both days inclusive). The Offer was made subject to the provisions of the Companies Act 1956, SEBI (SAST) Regulations as amended and Listing Agreement of the Target Company with the Stock Exchange and other applicable Laws and Regulations in force.

In the aforesaid Offer, the Acquirers could acquire total 78,317 equity shares (equivalent to 1.10% of Company's paid up capital) from the shareholders and paid the consideration through designated escrow account as per agreed terms.

On completion of Offer as mentioned above and on completion of related formalities thereto, the Acquirers finally acquired in aggregate 42,58,293 (representing 59.94 % of Company's paid up capital) and they have taken over the control and management of the Company from the existing Promoters. The said Acquirers / New Promoters have commendable experience in manufacturing of fine and other chemicals, Laboratory and Industrial Glassware and Construction and Development. It is expected that the new promoters would put the Company in to its right perspective.

#### **4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**a) Industry Structure**

As on date, the Company does not carry out any operational activity and hence, it does not fall under any particular industry.

**b) Opportunities and Threats**

In absence of any business activity, your Directors are unable to comment on opportunities and threats which otherwise your Company would have been subject to.

**c) Outlook**

With the undergoing change in Promoters, the management of the Company would also be changed. It is expected that with the kind of expertise and versatile knowledge at their disposal, the new promoters would restructure the Company with suitable means and would recommence the operations in the Company at the earliest.

**d) Risks and Concerns**

Your Company is subject to external risks like increasing interest rates, liquidity crunch, inflationary pressure, plunging capital market, slowdown in Indian and global economy etc. Apart from external risks, the recommencement of business activity in the Company largely depends on various approvals, procedures and sanctions, which may get delayed.

**e) Adequacy of Internal Control**

The Company has an adequate internal controls system commensurate with its present size.

**f) Human Resource Development**

Your Company would continue to have cordial and harmonious relations with its employees

**g) Discussion on financial performance with respect to operational Performance**

There is no revenue from operations. The other income of Rs. 8.62 lacs is rental income. The exceptional income of Rs. 185.03 refers to profit arisen on disposal of balance immovable properties of the Company including its factory land and building situated at Nutan Estate, Vasta Devdi Road, Madhav Baugh, Katargam, Surat-395 004. After providing NIL provision for taxes and carried forward loss of Rs. 506.28 lacs, the total loss of Rs. 163.34 lacs has been carried over.

#### **5. DIRECTORS**

At the ensuing Annual General Meeting, Shri Dinkar H. Patel, Director, of the Company shall retire by rotation and he being eligible offers himself for re-appointment. The Board at its meeting held on 20.12.2011 had respectively appointed Mr. S. P. Roy, Mr. Anirudh Sonpal and Mr. Anirudh Sonpal as Additional Directors in the category of Independent Director. They respectively holds the office of Additional Director upto the date of ensuing Annual General Meeting. The Company has received Notices under section 257 of the Companies Act, 1956, proposing all of them as candidates for the office of Director, liable to retire by rotation.

## **6. PUBLIC DEPOSITS**

The Company has neither accepted nor renewed any Public Deposits during the year under review. As on date the Company does not hold any fixed deposit from public.

## **7. AUDITORS**

The tenure of M/s. Natvarlal Vepari & Co., Chartered Accountants, Surat, the retiring Auditors expires at the conclusion of the ensuing Annual General Meeting. They have expressed their unwillingness to be re-appointed as Auditors.

M/s. Shah, Mehta & Bakshi, Chartered Accountants, Vadodara has expressed their willingness to act as Auditors of the Company.

## **8. OBSERVATIONS OF AUDITORS**

In the Annexure "A" to the draft Auditors Report for the year ended 31.03.2012, in para number (1) (c), 7 and 10, the Auditors have expressed their observations. Your Directors would like to furnish their explanations to the said observations under:

### With regard to para number (1) (c):

During the period under review, the Company has sold its immovable property being factory land and building situated at Nutan Estate, Vasta Devdi Road, Madhav Baug, Katargam, Surat which were not utilized for conducting any manufacturing activity for quite a long period. However, with the changes in existing management of the Company, which would be taken place on completion of ongoing open offer made by the Acquirers, they shall reorganize the Company by adopting suitable means of corporate restructuring and shall recommence the business activity in the Company at the earliest. In the meantime, the Company will continue to pay all its statutory liabilities and endeavor to comply with the provisions of the Corporate Governance. Hence, the Company very much remains as a going concern.

### With regard to para number 7:

Considering the present status of the Company, it was not required to appoint any formal internal auditors. However, the Company does have an adequate internal control system commensurate with its current operations.

### With regard to para number 10:

Regarding accumulated losses which exceed more than 50% of Company's networth, kindly refer the explanation as furnished herein above.

With regard to qualification / observation made by the In the Annexure "B" to the draft Auditors Report for the year ended 31.03.2012, your Directors would like to state that there was no operational activity carried out by the Company during last few years. Had the Company provided depreciation, it would not have affected the profitability of the Company on said sale of assets. Providing depreciation on the immovable properties / assets sold would have been merely an accounting entry. Hence, your Directors have thought fit not to charge depreciation.

## **9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since your Company is not a manufacturing Company, the statement with respect to conservation of energy, technology absorption is not applicable to the Company.

The Company has neither earned nor used any foreign exchange during the year under review.

## **10. PARTICULARS OF EMPLOYEES**

The Company did not have any employee falling within the scope of sub-section [2A] of Section 217 of the Companies Act, 1956.

## **11. CORPORATE GOVERNANCE**

The report on Corporate Governance pursuant to clause 49 of the listing agreement with BSE along with the certificate of M/s. H. M. Mehta & Associates, Practising Company Secretaries, Vadodara, forms part of this report and attached to this report.

## 12. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the Companies (Amendment) Act, 2000, the Directors state that:

- a. In the preparation of the annual accounts for the year ended on 31st March, 2012, the applicable Accounting Standards have been followed.
- b. Accounting Policies have been consistently applied. The judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2012 and the profit and loss of the Company for the accounting year ended on that date;
- c. Proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provision of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- d. The annual accounts have been prepared on a going concern basis.

## 13. ACKNOWLEDGEMENT

Your Directors acknowledges the support received from all its Business Associates, Bankers, Shareholders and other business constituents.

Your Directors also wish to place on record their appreciation for the continued co-operation made by employees during the year.

**Place: Vadodara**

**Date: 15/09/2012**

Regd. Office:  
Nutan Estate, Vasta Devdi Road,  
Madhav Baugh Lane, Katargam,  
Surat- 395 004

**For and on behalf of the Board  
For Overseas Synthetics Limited**

**Rohit H. Patel  
Managing Director**

## CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India (SEBI) has introduced comprehensive code of Corporate Governance and is to be implemented in terms of the Listing Agreement with Bombay Stock Exchanges on or before 31st March 2012. The Company has accordingly implemented the code.

### 1. Company's Philosophy on Code of Governance

The Company believes in good Corporate Governance, the essential elements of which are fairness, transparency, accountability and responsibility. With this belief, the Company has initiated significant measures for compliance with Corporate Governance.

### 2. Board of Directors

The Company presently has Six Directors, consisted of:

#### Non-executive Directors:

1. Shri Dinkar H. Patel - Promoter Group
2. Shri Mayur V. Shah - Promoter Group
3. Shri Anirudh C. Sonpal - Independent Director
4. Shri Surendra U. Tamboli - Independent Director
5. Shri Suresh Prasad Roy - Independent Director

#### Executive Directors:

1. Shri Rohit H. Patel, Managing Director - Promoter Group

The Company does not have any Nominee Director appointed by Financial Institutions.

During the year, six Board Meetings were held on 21.06.2011, 24.06.2011, 23.08.2011, 03.11.2011, 20.12.2011 and 10.02.2012, respectively.

The attendance of the Directors at the Board meeting held during the year and at the last AGM, as also number other directorships / membership of Committees of other Companies are as under:

Name	Attendance at Board Meeting	Attendance at last AGM	In other companies		
			Directorship	Committee member	Committee Chairmanship
Shri Rohit H. Patel	06 (100%)	Yes	07	07	03
Shri Dinkar H. Patel	Nil(0%)	No	Nil	Nil	Nil
Shri Mayur V. Shah	06 (100%)	Yes	01	Nil	Nil
Shri Anirudh C. Sonpal (w.e.f 20.12.2011)	02(100%)	Not Applicable	01	03	Nil
Shri Surendra U. Tamboli (w.e.f 20.12.2011)	02(100%)	Not Applicable	02	03	03
Shri Suresh Prasad Roy (w.e.f 20.12.2011)	02(100%)	Not Applicable	NIL	NIL	NIL

#### Board Procedure:

The relevant information is placed at the Board Meeting, ensuring good corporate governance. The minutes of committees are also placed before the Board. The agenda notice for the Board meeting is sent in advance to all Directors.

#### Code of Conduct:

The Board of Directors has adopted code of conduct for the Directors and Senior Management of the Company. A declaration recording compliance of the said code for the year ended 31st March, 2012 is contained in this report.

### 3. Audit Committee

As per the Clause 49 of the Listing Agreement, the Board of Directors at its meeting held on 20th December, 2011 had constituted 'Audit Committee'.

The Audit Committee presently comprises of three independent Directors. The members of the Committee are:

Name of Director	Designation	No. of Meetings Attended
Shri Anirudh C. Sonpal	Chairman (Independent Director)	01
Shri Surendra U. Tamboli	Member (Independent Director)	01
Shri Suresh Prasad Roy	Member (Independent Director)	01

One meeting of the Audit Committee was held on 10.02.2012 during the year 2011-12.

Necessary quorum was present at the meeting.

The Audit Committee shall begin to perform the following functions:

1. Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment and removal of statutory auditors, fixation of audit fees and approval for payment of any other services.
3. Reviewing the quarterly and annual financial statements before submission to the Board.
4. Reviewing with statutory auditors the adequacy of internal control system.
5. Discussing with statutory auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any area of concern.

### 4. Remuneration Committee:

The Board of Directors at its meeting held on 20th December, 2012 had constituted 'Remuneration Committee'.

The details of composition of the committee are as follows:

Shri Suresh Prasad Roy	Chairman (Independent Director)
Shri Anirudh C. Sonpal	Member (Independent Director)
Shri S.P. Roy	Member (Independent Director)

No meeting of the Remuneration Committee was held during the financial year ended 31.03.2012.

In absence of business activity, Shri Rohit H. Patel, Managing Director of the Company is not drawing any remuneration

Remuneration Policy for Non executive Directors:

Remuneration by way of sitting fees has been paid to the non executive directors for attending the meetings of the Board and Committees.

No remuneration is paid to the Non-executive / Independent Directors.

Details of Share held by Non-Executive Directors in the Company as on 31st March, 2012:

1. Shri Anirudh C. Sonpal Nil
2. Shri Surendra U. Tamboli Nil
3. Shri Suresh Prasad Roy Nil

**Details of Directors Seeking appointment / re-appointment at the forth coming Annual General Meeting.**

<b>Name of Director</b>	<b>Dinkar Patel</b>	<b>Surendra Tamboli</b>	<b>S. P. Roy</b>	<b>Aniruddh Sonpal</b>	<b>Kamal Aggarwal</b>	<b>Naresh Goyal</b>
Date of Birth	28.04.1957	09.10.1954	02.08.1940	03.02.1960	27.12.1962	15.04.1958
Date of Appointment	03.07.2004	20.12.2011	20.12.2011	20.12.2011	At the AGM	At the AGM
Expertise in Specific Functional Area	Textile Industry	Corporate Law	Corporate Law	Income Tax	Manufacturing of fine and other Chemicals, Construction and Development	Manufacturing of fine and other chemicals, Laboratory and Industrial Glassware and Construction and Development
Qualifications	P. G. Textile Ind Leeds U.K.	Company Secretary, LLB.	Company Secretary & Cost and Work Accountant	Chartered Accountant	Bachelor in Engineering (Petro-chemicals)	Under Graduate
Directors in other public limited companies	NIL	Jord Engineering India Limited and Modern Tube Industries Limited.	NIL	Flexituff International Limited.	NIL	NIL
Other positions	NIL	NIL	NIL	NIL	Hold Directorship in various Group Companies as well is a Partner and Proprietor of various Partnership Firm.	Hold Directorship in various Group Companies as well is a Partner and Proprietor of various Partnership Firm.
Membership of committees in other public limited companies	NIL	Chairman of Audit, Investor & Remuneration Committee of Modern Tube Industries Limited	NIL	Member of Audit, Share holders & Investors Grievance & Compensation Committee of Flexituff Internation Ltd.	NIL	NIL
Shares held in the company	NIL	NIL	NIL	NIL	9,20,110	9,20,110

## 5. Shareholders and Investors Grievance Committee:

The Board of Directors at its meeting held on 20th December, 2012 had constituted 'Shareholders and Investors Grievance Committee'. The Committee comprises of three Directors of which all of them are independent. Shri Rohit H. Patel, Managing Director is the Compliance Officer of the Company. One meeting of the Committee was held on 10.02.2012 during the year 2011-12.

The Committee, inter alia, started overseeing and reviewing all matters connected with the shares and looks into shareholders' complaints.

Letters / complaints as received by the Company were replied to the satisfaction of shareholders / investors. No investor complaints were outstanding as on 31st March 2012 and no requests for transfer of shares were pending for approval.

The composition of the committee and the details of the meetings attended by the Members thereof are as follows:

Name of Director	Designation	No. of Meetings Attended
Shri Surendra U. Tamboli	Chairman (Independent Director)	01
Shri Anirudh C. Sonpal	Member	01
Shri Suresh Prasad Roy	Member	01

## 6. General Body Meetings:

The details of Annual General Meeting (AGM) held in last three years are as under:

Annual General Meeting	Day, Date and Time	Venue
19th	Thursday, 23rd August, 2011 at 9.30 a.m.	Registered Office
18th	Thursday, 30th September, 2010 at 11.00 A.M.	Registered Office
17th	Wednesday, 30th September, 2009 at 11.00A.M.	Registered Office

## 7. Disclosures

There are no materially significant transactions with the related parties. viz. promoters, Directors and their relatives, conflicting with Company's interest. The transactions with related parties are disclosed in Note Number 31(B) to the audited Accounts in the Annual Report 2011-12.

No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory Authority on any matter related to capital markets during the last three years.

## 8. Means of Communication:

The Company started sending quarterly, half yearly and yearly financial results to the BSE after the Board approves the same and the said results are also getting published in financial and non-financial and in English and Gujarati dailies.

The Management Discussion and Analysis Report forms part of this Annual Report.

## 9. General Shareholder Information:

(a)	Date, Time and Venue of 20th AGM	:	20th Annual General Meeting to be held on 30th October, 2012 At 10.00 a.m. at the Registered Office of the Company at Nutan Estate, Vasta Devdi Road, Madhav Baug, Katargam, Surat – 395 004										
(b)	Financial calendar	:	<table border="1"> <tr> <td>i.</td> <td>April 2012 to March 2013</td> </tr> <tr> <td>ii.</td> <td>First Quarter 2012 Results-on or before 15th August, 2012</td> </tr> <tr> <td>iii.</td> <td>Second Quarter/ Half yearly Results 2012 – on or before 15th November, 2012.</td> </tr> <tr> <td>iv.</td> <td>Third Quarter 2012 Results-on or before 15th February, 2013</td> </tr> <tr> <td>v.</td> <td>Audited Results for the Fourth Quarter/ Year ending 31st March 2013, - on or before 31st May, 2013.</td> </tr> </table>	i.	April 2012 to March 2013	ii.	First Quarter 2012 Results-on or before 15th August, 2012	iii.	Second Quarter/ Half yearly Results 2012 – on or before 15th November, 2012.	iv.	Third Quarter 2012 Results-on or before 15th February, 2013	v.	Audited Results for the Fourth Quarter/ Year ending 31st March 2013, - on or before 31st May, 2013.
i.	April 2012 to March 2013												
ii.	First Quarter 2012 Results-on or before 15th August, 2012												
iii.	Second Quarter/ Half yearly Results 2012 – on or before 15th November, 2012.												
iv.	Third Quarter 2012 Results-on or before 15th February, 2013												
v.	Audited Results for the Fourth Quarter/ Year ending 31st March 2013, - on or before 31st May, 2013.												
(c)	Date of Book closure	:	25th October, to 30th October, 2012 [both days inclusive]										
(d)	Dividend Payment date	:	NIL, Not Applicable.										
(e)	Listing on Stock Exchange.	:	The Company has paid Listing Fees for the period 1st April, 2012 to 31st March 2013 to BSE.										
(f)	(i) Stock Code – Physical	:	514330										
	(ii) Demat ISIN Number for NSDL & CDSL	:	Yet to be obtained.										
(g)	Market price Date : High, Low during each month in last Financial year	:	As such the Script of the Company has been under suspension at BSE, the furnishing of information on market price of the shares could not possible.										
(h)	Stock Performance in comparison to Broad-based indices such as BSE Sensex, BSE 200, Nifty 50.	:	N.A.										
(i)	Registrar and Transfer Agents	:	M/s. MCS Limited, Neelam Apartment, 88 Samptrao Colony, Alkapuri, Baroda Pin 390 007, Ph.Nos.233 9397, 2341639										
(j)	Share Transfer System	:	All the transfer and transmission requests are processed on fortnightly basis by M/s. MCS Limited, being the Registrar & Transfer Agent (RTA). To facilitate prompt services, the RTA is also authorized to approve the transfers and dispatch the share certificates within stipulated time frame.										

### DISTRIBUTION OF HOLDINGS AS ON 31.03.2012

No of equity shares held	Share holders Numbers	Share holders % to total	No. of Shares	Share amount in Rs.	Share amount % to total
Up to 500	2594	87.64	478915	4789150	6.74
501 - 1000	186	6.28	155830	1558300	2.19
1001 - 2000	84	2.84	150402	1504020	2.12
2001 - 3000	22	0.74	57003	570030	0.80
3001 - 4000	7	0.24	25389	253890	0.36
4001 - 5000	22	0.74	104813	1048130	1.48
5001 -10000	17	0.57	140314	1403140	1.97
10001 and above	28	0.95	5992041	59920410	84.34
Total	2960	100	7104707	71047070	100



(k) Categories of Shareholders as on 31/03/2012		
Category	No. of Shares	% of Shareholding
Directors, Relatives, Promoters and company owned and controlled by the Promoters	4179976	58.83
Financial Institutions	NIL	NIL
NRIs	553900	7.80
Other Companies/Bodies Corporate	218811	3.08
General Public	2152020	30.29

(l)	Dematerialization of Shares and liquidity	:	The Company has yet to establish electronic connectivity with NSDL and CDSL. Hence, as of now, the entire paid up share capital of the Company is held in physical form only. Although, the Company has already approached CDSL for establishing its electronic connectivity and waiting for their response.
(m)	Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity.	:	The company has not issued any GDRs / ADRs / Warrants or any convertible instruments
(n)	Plant Locations	:	The Company was engaged in the activities of manufacturing of fabrics polyester yarns and fabrics which has been stopped since the year 2005-06. The trading activity in textile items was continued till the year 2009-10. From the financial year 2010 -11 and onwards, the Company has stopped all operational activity. It does not have any plant / manufacturing unit as on date.
(o)	Address for correspondence	:	<p><b>1. R &amp; T Agent</b>  MCS Limited  Unit: Oversees Synthetics Limited  Neelam Appt., 88, Sampatrao Colony, Above Chhappan Bhog, Alkapuri, Vadodara – 390 007  Telephone Nos. : [0265] 2339397,  Fax No.: [0265] 2341639</p> <p><b>2. Registered Office</b>  Compliance Officer  Oversees Synthetics Limited  Nutan Estate, Vasta Devdi Road, Madhav Baugh, Katargam, Surat-395 004  Telephone Nos.: [0261] 6535351</p>

## B. NON-MANDATORY REQUIREMENTS

a.	Chairman of the Board Whether Chairman of the Board is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties	:	No.
b.	Remuneration Committee	:	Please refer to Sr. No. 4 of this Report
c.	Shareholder rights - The quarterly / half-yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of Shareholders	:	As the Company's quarterly / half yearly results are being published in English newspapers having a circulation all over India and in a Gujarati newspaper (having a circulation in Surat) the same are not sent to the shareholders of the Company.

d.	Postal Ballot	:	As required under Clause 4 of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, resolutions placed serial Number 09 and 10 of the Notice convening this AGM seeks approval of shareholders for shifting of Company's registered office and alteration of its Main object Clause through postal ballot process.
e.	Audit Qualifications	:	The financial statements of the Company are qualified for the year ended 31.03.2012. The qualifications / observations of the Auditors have been adequately dealt in Director's Report
f.	Training of Board Members	:	All the Directors have adequate exposure in corporate matter and have expertise in their areas of specialization. Hence, no considered necessary.

## 11. Means of Communication

The Company has begun sending the quarterly, half yearly and yearly financial results to the Bombay Stock Exchange Limited (BSE) after the Board approves the same and the said results are also getting published in financial and non-financial and in English and Gujarati dailies.

## 12. Code of Conduct:

This is to confirm that in accordance with clause 49 of the listing agreement entered into with the stock exchanges, the Company has adopted Code of Conduct for its Board Members and it has obtained affirmation to compliance of the same from all the Board members for the financial year ended 31st March, 2012.

**Place: Vadodara**  
**Date: 15/09/2012**

**For and on behalf of the Board**  
**For Overseas Synthetics Limited**

**Rohit H. Patel**  
**Managing Director**

Regd. Office:  
Nutan Estate, Vasta Devdi Road,  
Madhav Baugh Lane, Katargam,  
Surat- 395 004

## CERTIFICATE ON CLAUSE 49 COMPLIANCE

The Members

Overseas Synthetics Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Overseas Synthetics Limited for Financial Year ended 31st March, 2012 as stipulated in amended clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to the 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 statement 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 commenced with the compliance of the conditions of Corporate Governance as stipulated in the Listing Agreement.

We state that no Investor Grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholder / Investor Grievance Committee.

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

**Place : Vadodara**  
**Date : 15th September, 2012**

**For H. M. Mehta & Associates**  
**Company Secretaries**

**Hemang M. Mehta**  
**Proprietor**  
**CP. NO. 2554**

# NATVARLAL VEPARI & CO.

*Chartered Accountants*

PAN: AADFN5448E

1st Floor, River Palace-II, Near Navdi Ovara, Nanpura, Surat 395 001. | www.vepari.com  
Tel. : +91 261 305 7777, 246 5585 | Fax : +91 261 399 5511 | E-mail : vepari@youtele.com

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## AUDITORS' REPORT

To,  
The Members,  
Overseas Synthetics Limited,  
Surat.

We have audited the attached Balance Sheet of **OVERSEAS SYNTHETICS LIMITED, SURAT** as at 31<sup>st</sup> MARCH, 2012, Profit and Loss Account and the Cash Flow statement of the Company for the year ended on that date annexed hereto. 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.

We conducted our audit in accordance with 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and 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.

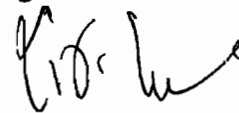
1. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amended) Order, 2004 (together the "Order"), issued by the Department of Company Law Affairs in terms of sub-section (4A) of section 227 of the Companies Act, , we annex hereto Annexure 'A' on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our remark in 1 above, we report as under:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books;

- (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
- (iv) In our opinion, the Profit and Loss account and Balance sheet comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, *except as stated in Annexure "B"*.
- (v) In our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in accordance with accounting principles generally accepted in India *except as stated in Annexure "B"*.
- I. In the case of the Balance Sheet of the Company of the state of affairs of the Company as at 31st MARCH, 2012.
  - II. In the case of the Profit and Loss account of the *Profit* of the company for the year ended on that date.
  - III. In the case of the Cash Flow statement, of the cash flows for the year ended on that date.
- (vi) On the basis of written representation received from the Director of the company as at 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that no director is disqualified from being appointed as director of the company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

*For Natvarlal Vepari & Co.,*

*Chartered Accountants,*

*Firm Registration No. 123626W*



*Partner.*

RAVINDRA VEPARI  
M. No. 6728

Surat,

Date: 14 JUL 2012

## OVERSEAS SYNTHETICS LIMITED, SURAT

## ANNEXURE 'A' TO AUDITORS' REPORT YEAR ENDED: 31-3-2012.

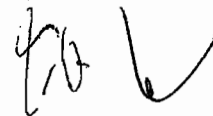
- (1) (a) The Company was in process of compilation of records showing particulars including quantitative details and situation of fixed assets.  
  
(b) As informed to us, the available assets have been physically verified by the management during the period covered by the audit report.  
  
(c) *The Company has sold all of its fixed assets during the year covered by our report. According to information and explanations received by us, the company has so far not made any plans to replace substantial part of its fixed assets that have been sold. There exists a substantial doubt that without replacement of such substantial part of fixed assets, the company will not be able to continue as going concern in the foreseeable future.*
- (2) As the company has not purchased /sold goods during the year nor is there any opening stock. Hence requirement of reporting on physical verification of stock or maintenance of inventory records, in our opinion, does not arise.
- (3) (a) The Company has not granted any loans, secured or unsecured, to companies, firms, or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly clauses (iii) (a), (b), (c) and (d) of the Order are not applicable.  
  
(b) The Company has not taken loan from any party covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clauses (e), (f) & (g) of clause (iii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
- (4) In our opinion and according to the information and explanations given to us, company has not purchased and sold of goods during the year further no fixed assets are acquired during the year. However, during the course of our assessment, no major weakness in internal control has come to our notice.
- (5) Based on the audit procedures applied by us and the information and explanations provided by the management, we are of the opinion that there were no transactions, exceeding the value of rupees five lakhs in respect of any party during the year that need to be entered in the register maintained under section 301 of the Companies Act, 1956 and therefore sub-clause (b) of clause (5) of this statement is not applicable to the company.

- (6) According to information and explanation given to us, during the year the Company has not accepted any deposit from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made there under. Hence clause 6 of the order is not applicable to the company.
- (7) ***In our opinion, the Company does not have an internal audit system.***
- (8) According to information and explanations given to us, generally, the Company has not made and maintained cost records prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956. Considering normal the nature of the activities carried out by the company which is more trading in nature, these maintenance of these records is required to be reviewed, however during the year no trading or manufacturing activities carried out.
- (9) (a) According to records of the company, the Company is generally regular in depositing undisputed statutory dues including income tax, sales tax, wealth tax, custom duty, excise duty, cess and any other statutory dues within the prescribed time limits with the appropriate authorities during the year and no dues which have been outstanding for more than six months as on 31st March, 2012.
- (b) According to Information and explanation provided to us, there are no dues in respect of income tax, sales tax, wealth tax, custom duty, excise duty, cess which have not been deposited, on account of any dispute.
- (10) ***The Company has accumulated losses at the end of the financial year which are exceeding fifty percent of its net worth. The company has not incurred cash losses during the current year and the immediately preceding financial year. In arriving at the accumulated losses & net worth as above, we have not considered qualification in the audit reports of the year to which these losses pertain.***
- (11) In our opinion, according to explanations given to us and according to records of the company, the company has neither borrowed from financial institutions or banks nor issued debentures. Hence, in our opinion, the question of reporting on defaults in repayment of dues to financial institutions or banks or debenture does not arise.
- (12) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.

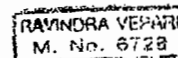
- (13) According to the information given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (14) No new term loan has been taken by the Company during the year.
- (15) According to the records examined, on an overall basis, funds raised on short term basis, have *prima facie* not been used for financing long term investments.
- (16) According to the information and explanations given to us, the Company is not a dealer or trader in securities, and dealing and trading thereto is not their principal business. Based on our examination of records we stated that, proper records have been maintained of the transactions and contracts and timely entries have been made therein. All investments in marketable securities and mutual funds have been held by the Company in its own name.
- (17) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (18) No debentures have been issued by the Company.
- (19) The Company has not raised any money by public issue, during the year.
- (20) According to the information received by us, no fraud on or by the Company, has been noticed or reported by the Company during the year.

Considering the nature of the present activities carried out, Clause (xx) of paragraph 4 of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.

For Natvarlal Vepari & Co.,  
Chartered Accountants,  
Firm Registration No. 123626W



Partner.



Surat,  
Date: 14 JUL 2012

**OVERSEAS SYNTHETICS LIMITED, SURAT**

**ANNEXURE 'B' TO AUDITORS' REPORT YEAR ENDED: 31-3-2012.**

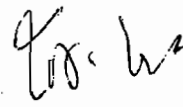
*The company had sold remaining residential quarters in the current financial year 2011-2012. On the same, the company had not provided depreciation on some portlon of such asset in earlier year(s) which is not quantifiable. Hence effect of profit/loss on sale of such asset recognized in the books of accounts may not reflect the actual profit/loss.*

*In absence of availability of required detail with respect of above, effect of the same on the financial result could not be quantified.*

**For Natvarlal Vepari & Co.,  
Chartered Accountants,  
Firm Registration No. 123626W**

Surat,

Date: 14 JUL 2012



**Partner.**

RAVINDRA VEPARI  
M. No. 6728



OVERSEAS SYNTHETICS LTD.,

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No	31-03-2012	31-03-2011
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	71,047,070	71,047,070
(b) Reserves and Surplus	2	(50,628,556)	(69,377,249)
		<b>20,418,514</b>	<b>1,669,821</b>
<b>(2) Share Application Money Pending Allotment</b>			
	3	-	922,061
		-	<b>922,061</b>
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	4	-	227,358
(c) Other Current Liabilities	5	281,202	2,858,849
		281,202	3,086,207
<b>Total</b>		<b>20,699,716</b>	<b>5,678,089</b>
<b>II. Assets</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	6	-	3,112,947
(b) Non-Current Investments	7	-	1,300
(d) Long Term Loans and Advances	8	19,722	273,857
		<b>19,722</b>	<b>3,388,104</b>
<b>(2) Current Assets</b>			
(a) Current Investments	9	-	567,052
(c) Trade Receivables	10	-	1,260,988
(d) Cash and Cash Equivalents	11	369,573	326,041
(e) Short-Term Loans and Advances	12	20,310,421	135,904
		20,679,994	2,289,985
<b>Notes to Accounts</b>	22		
<b>Total</b>		<b>20,699,716</b>	<b>5,678,089</b>

As per our report of even date  
For Natvarlal Vepari & Co.  
Chartered Accountants.  
Firm Reg. No. 123626W

Partner.

Date: 14 JUL 2012

For and on behalf of the Board  
**FOR OVERSEAS SYNTHETICS LTD.**

*[Signature]*  
DIRECTOR

Directors  
**FOR OVERSEAS SYNTHETICS LTD.**

*[Signature]*  
DIRECTOR

**OVERSEAS SYNTHETICS LTD.,**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

	Particulars	Note No	31-03-2012	31-03-2011
			Rs.	Rs.
I.	Revenue from Operations	13	-	2,072,092
II.	Other Income	14	861,691	1,790,666
III.	<b>Total Revenue</b>		<b>861,691</b>	<b>3,862,758</b>
IV.	<u>Expenses :</u>			
	Purchase of Stock-in-Trade	15	-	1,862,764
	Employee Benefit Expense	16	216,450	327,700
	Financial Costs	17	767	2,724
	Depreciation and Amortization Expense	18	14,271	45,180
	Other Expenses	19	384,633	257,145
	<b>Total Expenses</b>		<b>616,121</b>	<b>2,495,513</b>
V.	Profit Before Exceptional and Extraordinary Items and Tax		245,569	1,367,245
VI.	Exceptional Items		18,503,124	-
VII.	Profit before extraordinary items & tax		18,748,693	1,367,245
VIII.	Extraordinary Item (Refer Note No 2 of Note 23)		-	-
IX.	Profit before tax		18,748,693	1,367,245
X.	Tax Expenses			
	(1) Current Tax		-	-
	(2) Deffered Tax		-	3,923,845
XI.	Profit/(Loss) After Tax for the Period from Continuing Operations		18,748,693	5,291,090
XII.	Profit/(Loss) for the Period		18,748,693	5,291,090
XIII.	Earning per equity shares.			
	(1) Basic		2.64	0.74
	(2) Diluted		2.64	0.74
	Note to Accounts	22		

As per our report of even date

For Natvarlal Vepari & Co.  
Chartered Accountants.  
Firm Reg. No. 123626W

Partner.

Date : 14 JUL 2012

For and on behalf of the Board,  
**FOR OVERSEAS SYNTHETICS LTD.**

X  
Directors

**FOR OVERSEAS SYNTHETICS LTD.**

DIRECTOR

**OVERSEAS SYNTHETICS LTD.,**

Note No		31-03-2012	31-03-2011

		Rs.	Rs.
<b>1</b>	<b>Share Capital</b>		
	Equity Share Capital		
	Authorised Share capital		
	(a) 9,000,000 equity shares of Rs 10 each	90,000,000	90,000,000
	(b) Preference Shares Capital	-	-
	Issued, subscribed & fully paid share capital		
	(a) 7,104,707 equity shares of Rs 10 each	71,047,070	71,047,070
	(b) Preference Shares	-	-
	<b>Total</b>	<b>71,047,070</b>	<b>71,047,070</b>

**1.1 The reconciliation of the numbers of shares outstanding sand at the beginning and at the end of the repoting period**

Particulars	No of Shares	No of Shares
Shares outstanding at the beginning of the year	7,104,707	7,104,707
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Any other movement (please specify)	-	-
Shares outstanding at the end of the year	7,104,707	7,104,707

**1.2 List of shares holders who are holding more than 5 % equity shares of the company.**

Name of Shareholder	31-03-2012		31-03-2011	
	No of Shares	%	No of Shares	%
Dinkarbai H. Patel	744927	10.48%	434,668	6.12%
Geetaben R. Patel	853163	12.01%	125,809	1.77%
Haribhai R. Patel	860770	12.12%	440,920	6.20%
Mehul Haribhai Patel	856522	12.06%	301,493	4.24%
Narendrabhai Patel	0	0.00%	430,221	6.05%
Sanjay N. Kriplanu	550400	7.75%	550,400	7.75%
Rohit Haribhai Patel	864594	12.17%	480,438	6.76%

		Rs.	Rs.
<b>2</b>	<b>Reserves and Surplus</b>		
	Capital Reserve	1,082,500	1,082,500
	General Reserve	641,320	641,320
	Amalgamation Reserve	21,247,971	21,247,971
	Profit and Loss Account	(73,600,347)	(92,349,040)
	<b>Total</b>	<b>(50,628,556)</b>	<b>(69,377,249)</b>

**OVERSEAS SYNTHETICS LTD.,**

<b>Note No</b>		<b>31-03-2012</b>	<b>31-03-2011</b>

<b>2.1</b>	<b>Profit and Loss Account</b>	<b>Rs.</b>	<b>Rs.</b>
	Opening balance	(92,349,040)	(97,640,131)
	Add: Net Profit/(Net Loss) For the current year	18,748,693	5,291,091
	<b>Balance /Total</b>	<b>(73,600,347)</b>	<b>(92,349,040)</b>

		<b>Rs.</b>	<b>Rs.</b>
<b>3</b>	<b>Share Application Money Pending Allotment</b>		<b>922,061</b>
	<b>Total</b>	-	<b>922,061</b>

		<b>Rs.</b>	<b>Rs.</b>
<b>4</b>	<b>Short-Term Borrowings</b>		
	Unsecured		
	Loans and advances from related parties	-	227,358
	<b>Total</b>	-	<b>227,358</b>

		<b>Rs.</b>	<b>Rs.</b>
<b>5</b>	<b>Other Current Liabilities</b>		
	Other payables	281,202	2,858,849
	<b>Total</b>	<b>281,202</b>	<b>2,858,849</b>

**OVERSEAS SYNTHETICS LTD.,**

**Note 6 : Fixed Assets - Tangible Assets**

	Computers	Furniture, Fittings & Equipments	Land & building	Total
<b>At 1 April 2010</b>				
Opening net book amount	5,715	-	2,512,819	2,518,534
Additions	-	-	1,331,885	1,331,885
Disposals	-	-	692,293	692,293
Depreciation charges	3,983	-	41,196	45,179
Closing net book amount	1,732	-	3,111,215	3,112,947
<b>At 31st March 2011</b>				
Cost	34,648	-	3,794,753	3,829,401
Accumulated depreciations	32,916	-	683,538	716,454
Net book amount	1,732	-	3,111,215	3,112,947
<b>At 1 April 2011</b>				
Opening net book amount	1,732	-	3,111,215	3,112,947
Additions	-	-	-	-
Disposals	1,732	-	3,096,944	3,098,676
Depreciation charges	-	-	14,271	14,271
Closing net book amount	-	-	-	-
<b>At 31st March 2012</b>				
Cost	34,648	-	3,794,753	3,829,401
Accumulated depreciations	34,648	-	3,794,753	3,829,401
Net book amount	-	-	-	-

**OVERSEAS SYNTHETICS LTD.,**

Note No		31-03-2012	31-03-2011

		Rs.	Rs.
<b>7</b>	<b>Non-Current Investments</b>		
	Trade Investments	-	-
	Non Trade Investments	-	1,300
	<b>Total</b>	-	<b>1,300</b>

		Rs.	Rs.
<b>8</b>	<b>Long Term Loans and Advances</b>		
	Advance Income Tax & T.D.S	13,722	14,003
	Security Deposits	6,000	259,854
	<b>Total</b>	<b>19,722</b>	<b>273,857</b>

		Rs.	Rs.
<b>9</b>	<b>Current Investments</b>		
	Other current investments	-	567,052
	<b>Total</b>	-	<b>567,052</b>

**9.1 Trade Investments**

	Rs.	Rs.
Reliance Communication Ltd. 0 (500) Equity Shares of Rs.10	-	82,705
Tamboli Capital 0 (2800) Equity Shares of Rs.10 Each Fully Paid	-	73,499
State Bank of India 0(21) Equity Shares of Rs.10 Fully Paid up	-	25,603
Tata steel 0(140) Equity Shares of Rs.10 of Shares Fully Paid	-	54,179
Reliance Industries Ltd. 0(215) Equity Shares of Rs.10 Fully	-	217,596
Harig Cranks 0(2000)Equity Shares of Rs.10 Fully Paid up	-	9,980
Infra D. Fin 0(700) Equity Shares of Rs.10 Fully Paid up	-	103,490
	-	<b>567,052</b>

		Rs.	Rs.
<b>10</b>	<b>Trade Receivables</b>		
	Secured/ Unsecured/ Doubtful	-	1,260,988
	<b>Total</b>	-	<b>1,260,988</b>

		Rs.	Rs.
<b>11</b>	<b>Cash and Cash Equivalent</b>		
	Balances with banks	176,724	166,318
	Cash on hand	192,849	159,723
	<b>Total</b>	<b>369,573</b>	<b>326,041</b>

OVERSEAS SYNTHETICS LTD.,

Note No		31-03-2012	31-03-2011
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		Rs.	Rs.
<b>12</b>	<b>Short-Term Loans and Advances</b>		
	Prepaid Expenses	-	3,954
	Other Receivables	20,300,000	-
	Rent receivable	4,500	92,250
	Other loans and advances	5,921	39,700
	<b>Total</b>	<b>20,310,421</b>	<b>135,904</b>

		Rs.	Rs.
<b>13</b>	<b>Revenue from Operations</b>		
	Revenue from - Sale of products	-	2,072,092
	<b>Total</b>	<b>-</b>	<b>2,072,092</b>

		Rs.	Rs.
<b>14</b>	<b>Other Income</b>		
	Divident income	3,590	3,540
	Intrest Income	10,567	21,297
	other intrest	-	528
	Sundry Balance written back	658,559	696,794
	Other non-operating income (net of expenses directly attributable to such income)	188,975	1,068,507
	<b>Total</b>	<b>861,691</b>	<b>1,790,666</b>

**14.1 Other non-operating income (net of expenses directly attributable to such income)**

Particulars	Rs.	Rs.
Factory Rent	328,500	753,750
Profit on sale of Fixed Assets	-	378,493
Loss on Sale of shares	(140,713)	(63,736)
Speculation profit	1,188	-
<b>Total</b>	<b>188,975</b>	<b>1,068,507</b>

		Rs.	Rs.
<b>15</b>	<b>Purchase of Stock-in-Trade</b>		
	Purchase of Stock-in-Trade	-	1,862,764
	<b>Total</b>	<b>-</b>	<b>1,862,764</b>

		Rs.	Rs.
--	--	-----	-----

**OVERSEAS SYNTHETICS LTD.,**

<b>Note No</b>		<b>31-03-2012</b>	<b>31-03-2011</b>
<b>16</b>	<b>Employee Benefit Expense</b>		
	Salary Expenses	216,450	327,700
	<b>Total</b>	<b>216,450</b>	<b>327,700</b>

		<b>Rs.</b>	<b>Rs.</b>
<b>17</b>	<b>Financial Costs</b>		
	Interest expenses	767	2,724
	<b>Total</b>	<b>767</b>	<b>2,724</b>

		<b>Rs.</b>	<b>Rs.</b>
<b>18</b>	<b>Depreciation and Amortization Expense</b>		
	Depreciation and Amortization Expense	14,271	45,180
	<b>Total</b>	<b>14,271</b>	<b>45,180</b>

		<b>Rs.</b>	<b>Rs.</b>
<b>19</b>	<b>Other Expenses</b>		
	Power and fuel expenses	135,020	93,459
	Rent Expenses	18,000	40,500
	Repairs to buildings	-	36,112
	Miscellaneous expenses	231,613	87,074
	<b>Total</b>	<b>384,633</b>	<b>257,145</b>

**20 Additional information pursuant to the provisions of Schedule VI to the Companies Act, 1956**

**20.1 Prior Period Items**

	<b>Rs.</b>	<b>Rs.</b>
Excess Depreciation	-	702,099
Exice duty written Back	-	419,426
Net	-	<b>282,673</b>

**20.2 Payments to the auditor**

	<b>Rs.</b>	<b>Rs.</b>
Audit fees	23,596	22,060



**OVERSEAS SYNTHETICS LTD.,**

Note No	31-03-2012	31-03-2011

**21 Disclosure in accordance with Accounting Standard-18 Related Party Transactions.**

**(I) Relative of Key Management Personnel**

Name	Relative
a) Krupalu Fabrics (Prop. H. R. Patel)	Father of Director
b) Overseas Textiles (Prop. M. H. Patel (H.U.F.))	Brother of Director
c) Geetaben R. Patel	Wife of Director

**(II) Key Management Personnel**

Name	Relation
a) Mr. Rohit. H. Patel	Managing Director
b) Mr. Mayur. V. Shah	Director
c) Mr. Dinkarbhai. H. Patel	Director

**(III) Transactions**

	Rs.	
	To relative	To Directors
Office Rent Paid	18,000	-
Unsecured Loan repaid	-	227,358

## OVERSEAS SYNTHETICS LIMITED, SURAT

Accounting year: 2011-2012

Notes forming part of the Accounts:

Note - 22

### (1) Significant Accounting Policies:

Significant accounting policies adopted in the preparation and presentation of the accounts are as under:

#### (a) Basis of Accounting:

The financial statements are prepared under historical cost convention on an accrual basis except Gratuity, which is accounted on cash basis.

#### (b) Fixed Assets:

Company has disposed all fixed asset. However Fixed Assets are stated at cost of acquisition or construction, net of CENVAT available less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working conditions for its intended use.

#### (c) Depreciation:

Depreciation on all depreciable fixed assets is provided under Straight Line Method as per rates specified in Schedule XIV to the Companies Act, 1956. Except computer on which depreciation provided after deducting scrap value. Depreciation on addition or deduction is provided on pro-rata basis.

#### (d) Investments:

Long Term Investments are stated at cost of acquisition.

#### (e) Inventories:

Company does not hold any Inventory during the year. However as per the policy of the company, inventories are valued applying FIFO method as under:

- (i) Raw materials are valued at cost or NRV whichever is lower.
- (ii) Finished Goods are valued at cost or net realizable value whichever is lower.

#### (f) Retirement Benefits:

##### i. Short term Employee Benefits:

All employee benefits falling due within twelve months of rendering the service are classified as short term employee benefits. The benefits like

salaries, wages, bonus, leave salary ex-gratia are recognized in the period in which employee renders the related services.

**ii. Defined Contribution Plans:**

Contributions to Defined Contribution Plans are recognized as expense in the Profit and Loss Account, as they are incurred.

**iii. Defined Benefit Plans:**

Gratuity is accounted by the entity as and when paid.

**(g) Revenue Recognition:**

- As per policy of the company, Income from sales is recognized net of discount etc.
- Income from rent is recognized on accrual basis based on the agreement with the parties.
- Income from interest is recognized on accrual basis where dividend on shares recognized at time of receipt.
- Income from shares investment is recognized at time of physical delivery of shares.

**(h) Borrowing Cost:**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(2) Exceptional Item relates profit on sale of immovable property situated at Nutan Estate, Vasta Devdi Road, Madhav baugh, Katargam, Surat & residential flats & other fixed assets.

(3) **The company is contingently liable in respect of the following:**

For guarantees given by the Banks on behalf of the Company to Excise authority NIL (Pre. Year Rs. 2, 00,000/-).

(4)	Payments to Auditors	Current Year	Pre. Year
	(a) As Auditors:	23,596/-	22,060/-
	(b) In any other matter:	--	--

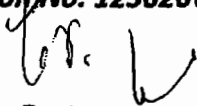
(5) During the year, company has not carried on any operational activity. Other non-operational activity is only source of income. So as per Accounting Standard 17

"Segment Reporting" issued by the ICAI, disclosure of segment information is not required.

- (6) i. Due to non existence with the virtual certainty of foreseeable future profits, which can absorb the brought forward losses, further deferred tax assets have not been recognized / created.
- ii. No Provision for taxation is made considering the unabsorbed depreciation/ losses.
- (7) Previous year figures have been recast and regrouped wherever necessary to make them comparable with the figures of the current year.
- (8) Share Application Money of Rs. Nil (Pre. Year 9.22 Lacs) represents amount taken from promoters pending allotment of shares.
- (9) Information has been provided to the extent applicable under the revised schedule VI of the Companies Act, 1956 is attached.

**Signature to Notes "1" to "22"**

**For Natvarlal Vepari & Co.,  
Chartered Accountants,  
Firm Registration No. 123626W**

  
**Partner**

**Place: Surat,**

**Date: 14 JUL 2012**

**FOR OVERSEAS SYNTHETICS LTD. For and on behalf of the Board, FOR OVERSEAS SYNTHETICS LTD.**

  
**DIRECTOR**  
Director

  
**DIRECTOR**  
Director

**OVERSEAS SYNTHETICS LIMITED, SURAT.**  
**Cash Flow Statement for the year ended 31st March, 2012**

	31.03.2012	31.03.2011
<b>(A) Cash Flow from Operating Activities:</b>		
Net profit/(loss) before tax and Extraordinary items:	18,748,693	1,084,572
Adjusted for:		
<b>Less:</b>		
Profit on sale of Investment	1,188	-
Profit on Sale of Assets	18,503,124	378,493
	<u>244,382</u>	<u>378,493</u>
<b>Add:</b>		
Depreciation	14,271	45,180
Loss on sale of Investment	140,713	-
Loss on sale of short term Shares	-	4,678
Loss on sale of Long term Shares	-	59,058
Operating Profit before Working Capital Changes	<u>399,366</u>	<u>814,995</u>
Adjusted for:		
(Increase)/Decrease in Trade and Other Receivables	1,260,988	(1,225,443)
(Increase)/Decrease in Loans and Advances	379,618	-
Increase/(Decrease) in Trade Payables & other liabilities	<u>(2,577,647)</u>	<u>-</u>
Cash Generated from Operations before prior period item	(537,675)	(410,448)
Prior Period Items (Net)		
Net Cash Generated from/ (used in) Operations	<u>(537,675)</u>	<u>(410,448)</u>
<b>(B) Cash Flow from Investing Activities:</b>		
Sale of Fixed assets	501,800	441,000
Sale of Investment	428,826	(93,450)
Advance received against sale of property	800,000	-
Net Cash Generated from Investing Activities	<u>1,730,626</u>	<u>347,550</u>
<b>(C) Cash Flow from Financing Activities:</b>		
Share Application Money Returned	(922,061)	-
Proceeds from UnSecured borrowings	(227,358)	170,808
Net Cash Generated from/ (used in) used in Financing Activities	<u>(1,149,419)</u>	<u>170,808</u>
Net (Decrease)/Increase in Cash and Cash Equivalents	43,532	107,910
Cash and Cash Equivalents as at 1st April, 2011	326,041	433,951
Cash and Cash Equivalents as at 31st March, 2012	369,573	326,041

For Natvarlal Vepari & Co.  
Chartered Accountants.  
Firm Reg. No. 123626W

Partner

Surat,  
Date:

14 JUL 2012

For and on behalf of Board of Directors:  
FOR OVERSEAS SYNTHETICS LTD

X DIRECTOR

DIRECTOR

FOR OVERSEAS SYNTHETICS LTD.  
DIRECTOR.

DIRECTOR



**OVERSEAS SYNTHETICS LIMITED**

Registered Office: Nutan Estate, Vasta Devdi Rod, Madhav Baug, Katargam – 395004

**ATTENDANCE SLIP**

**To be handed over at the entrance of the Meeting Hall**

Full Name of the Member attending .....

Full Name of the first joint holder .....

(To be filled in if first joint-holder does not attend the meeting)

Name of Proxy .....

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 20th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, 30th October, 2012 at Nutan Estate, Vasta Devi Road, Madhav Baug, Katargam, Surat – 395 004.

Ledger Folio /Client ID No. ....

No of Shares held .....

Member's / Proxy's Signature  
(To be signed at the time of handing over the slip)

**Note: Members are requested to bring their copies of the Annual Report to the Meeting.  
As per the policy of the Company no gifts will be given at the Annual General Meeting.**

**OVERSEAS SYNTHETICS LIMITED**

Registered Office: Nutan Estate, Vasta Devdi Rod, Madhav Baug, Katargam – 395004

**PROXY**

I/We .....

Of .....

In the District of .....

Being a member / members of Overseas Synthetics Limited, hereby appoint

Of .....

In the district of ..... of failing him .....

In the District of ..... as my / our prox to vote for me / us on my / our behalf at the Twentieth Annual General Meeting of the Company to be held on 30th October, 2012 and at any adjournment thereof.

Signed this ..... day of ..... 2012.

Ledger Folio / Client ID No. ....

No of Shares Held .....

Please affix  
Re. 1.00  
Revenue  
Stamp

(Signature of Member)

**Note: Proxy must be deposited the Registered Office of the Company not less than 48 Hours before the commencement of the meeting.**

BOOK - POST

POSTAL  
STAMP

If undelivered, please return to:  
M/s. MCS Limited,  
Registrar and Transfer Agents  
Unit: Overseas Synthetics Limited  
Neelam Apartment, 88 Samptrao Colony,  
Alkapuri, Vadodara- 390 007,  
Ph.Nos.233 9397, 2341639