



Oriental Veneer Products Ltd.

23rd
Annual Report
2013-2014

ORIENTAL VENEER PRODUCTS LIMITED

BOARD OF DIRECTORS

Afzal Patel	Chairman
Karim N. Mithiborwala	Managing Director
Saleh N. Mithiborwala	Whole time Director
Mustufa S. Pardawala	Independent Director
K. H. Dablikar	Independent Director

AUDITORS

M/s. Anil Bansal & Associates
M/s. NBS & Co.
Chartered Accountants, Mumbai

BANKERS

Saraswat Bank Limited
The Shamrao Vithal Co-Op Bank

REGISTERED OFFICE

Village Aghai, Via Kalyan Railway Station
Thane -421 301

REGISTERED OFFICE

16, Mascarenhas Road, Mazgaon
Mumbai 400 010

REGISTRAR & SHARE TRANSFER AGENT

Adroit Corporate Services Pvt. Ltd.

19, Jaferbhoy Industrial Estate
1 Floor, Makwana Road
Marol Naka, Mumbai – 400 059

ANNUAL GENERAL MEETING

Date : 30th December, 2014
Time : 9.30 A.M.
Venue : Village Aghai, Via Kalyan Railway Station
Thane -421 301

Corporate Identification No.
L02005MH1991PLC060686

23RD ANNUAL REPORT 2013 - 2014

C O N T E N T S

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- ☞ Directors' Report
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Members are requested to bring their copy of Annual Report at the time of Meeting

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the members of **ORIENTAL VENEER PRODUCTS LIMITED** will be held on Tuesday, 30th December, 2014 at 9.30 A.M. at Registered Office of the Company situated at Village Aghai, Via Kalyan Railway Station, Thane -421 301 to transact following business as:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2014.
2. To appoint a Director in place of Mr. Saleh N. Mithiborwala (DIN: 00171171), who retire by rotation at this Annual General Meeting, being eligible has offered himself for re-appointment.
3. To consider and thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rule 6 the Companies (Audit and Auditors) Rules, 2014, M/s. Anil Bansal & Associates, Chartered Accountants, Mumbai (Reg.No.100421W) and M/s. NBS & Co. Chartered Accountants Mumbai,(Reg. No. 110100W) be and are hereby re-appointed as Joint Statutory Auditors of the Company for a further period of Three & Two Financial Years respectively subject to ratification at each AGM during the intervening period of the said appointments to hold office from Twenty Third (23) Annual General Meeting until the conclusion of the Twenty Sixth (26) Annual General Meeting & until the conclusion of Twenty Fifth (25) Annual General Meeting of the Company respectively subject to the ratification of the appointment by the Members of the Company at every Annual General Meeting during the intervening as per the provisions of the Companies Act, 2013, the retiring Auditors of the Company on such remuneration as may be agreed upon between the Board of Director or any Committee thereof and the statutory Auditors, in addition to the reimbursement of service tax and actual out of pocket expenses incurred in relation with the audit of accounts of the Company.”

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT, pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Khalid A. Dablikar bearing DIN 02812682, who was appointed as a Director and liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years up to 31st December 2019 and not liable to retire by rotation.”

5. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT, pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and

Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mustufa S. Pardawala (DIN: 02814971), who was appointed as a Director and liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years up to 31st December 2019 and not liable to retire by rotation.”

6. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee of the Board, and subject to the approval of members , consent of the Board be and is hereby accorded to the appointment of Mr. Saleh N. Mithiborwala (DIN: 00171171) as Whole-time Director designated as Chief Financial Officer of the Company, for a period of 3 (Three) years with effect from 1st January 2015, on the terms and conditions including remuneration as per below details, with liberty to the Board of Directors on the recommendation of Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

“RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the central government to schedule V to the companies Act, 2013, the board of directors be and is hereby authorized to vary the remuneration including salary, perquisites, allowance etc. within such prescribed limits or ceiling and the Agreement between the company and Whole-time Director designated as Chief Financial Officer be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the company in the General meeting.

“RESOLVED FURTHER THAT the board be and is hereby authorized to do all such acts, deeds and things and to execute any agreement, document or instruction as may be required to give effects to the aforesaid resolution.”

A. SALARY/PERQUISITE & REIMBURSEMENT: ₹ 1,00,000/- P.M.

B. NATURE OF DUTIES:

- i. He will perform his duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- ii. He will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.
- iii. He will adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

C. TERMINATION:

The office of Mr. Saleh N. Mithiborwala (DIN: 00171171) will be terminated forthwith by notice

in writing on the vacation of office of Director by virtue of section 167,169 and other applicable provisions of the Companies Act, 2013 or by giving one month notice in writing by either party.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee of the Board, and subject to the approval of members, consent of the Board be and is hereby accorded to the appointment of Mr. Karim N. Mithiborwala (DIN : 00171326) as Whole-time Director designated as Managing Director of the Company, for a period of 3 (Three) years with effect from 1st January 2015, on the terms and conditions including remuneration as per below details, with liberty to the Board of Directors on the recommendation of Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

“RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the central government to schedule V to the companies Act, 2013, the board of directors be and is hereby authorized to vary the remuneration including salary, perquisites, allowance etc. within such prescribed limits or ceiling and the Agreement between the company and Whole-time Director designated as Managing Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the company in the General meeting.

“RESOLVED FURTHER THAT the board be and is hereby authorized to do all such acts, deeds and things and to execute any agreement, document or instruction as may be required to give effects to the aforesaid resolution.”

A. SALARY/PERQUISITE & REIMBURSEMENT: ₹ 1,00,000/- P.M.

B. NATURE OF DUTIES:

- i. He will perform his duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- ii. He will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.
- iii. He will adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

C. TERMINATION:

The office of Mr. Karim N. Mithiborwala (DIN : 00171326) will be terminated forthwith by notice in writing on the vacation of office of Director by virtue of section 167,169 and other applicable provisions of the Companies Act, 2013 or by giving one month notice in writing by either party.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT, pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations as contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT the consent of the Company be and is hereby accorded under Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), to the Board of Directors of the Company to mortgage, hypothecate and/or charge in addition to the existing mortgages/hypothecation/ charges created by the Company on such terms and conditions as the Board may deem fit, on all or any part of movable and/or immovable properties of the Company, wherever situate, both present and future, and/or the whole or substantially the whole of the undertaking of the Company in favour of any person including but not limited to banks, financial institutions, corporate bodies, trustees of debenture holders and /or any other lending agencies or other persons to secure the loans, debentures and other credit facilities up to ₹ 100.00 Crore (₹ One Hundred Crore only) together with interest, cost, charges, expenses and any other money payable by the Company.

“RESOLVED FURTHER THAT the security/(ies) to be created by the Company for its borrowings as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Company and concerned parties.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to finalise with such banks/financial institutions/trustees of debenture holders/lending agencies and/or any other person the documents for creating the aforesaid mortgage, hypothecation and/or charge and to do all such acts, matters, deeds and things as may be necessary or expedient, for giving effect to this resolution and also to agree to any amendments/changes/variations thereto from time to time as it may think fit.”

10. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT the consent of the Company be and is hereby accorded under the provisions of section 180 (1)(c) of the Companies Act, 2013, to the Board of Directors of the Company borrowing, from time to time all such sums of money as they may deem requisite for the purpose of the business of the Company notwithstanding that moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free

reserves as defined u/s 2(43) of Companies Act, 2013, provided that the total amount up to which moneys may be borrowed by the Board of Directors shall not exceed the sum up to ₹ 100.00 Crore (₹ One Hundred Crore only) at any one time.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director or two or more of them together be and is/are hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, matters, deeds and things as may be necessary or expedient, for giving effect to this resolution and also to agree to any amendments/changes/variations thereto from time to time as it may think fit.”

Thane, November 28, 2014

By order of the Board
For Oriental Veneer Products Limited

Registered Office :

Village Aghai, Via Kalyan Railway Station
Thane -421 301

Karim N. Mithiborwala
(DIN : 00171326)
Chairman & Managing Director

Notes :

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
4. The Register of Member and the Share Transfer Books of the Company will remain closed from 27th December 2014 to 30th December 2014 (both days inclusive).
5. The Register of Directors and key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
6. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id compliance.ovpl@gmail.com for quick and prompt redressal of their grievances.
7. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
8. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by appropriate authorities to the Annual General Meeting.
9. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
10. Members are requested to intimate change in their address immediately to M/s Adroit Corporate Services Private Ltd., the Company's Registrar and Share Transfer Agents, at their office at 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai 400 059.

ORIENTAL VENEER PRODUCTS LIMITED

11. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Adroit Corporate Services Private Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
13. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
14. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you're the quarterly reports and other communication via email.
15. Copies of Annual Report 2014 are being sent by electronic mode only to all the members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of Annual Report 2014 are being sent by the permitted mode.
16. The Notice for the 23rd AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting. For members who have not registered their email address, physical copies of aforesaid documents are being sent by the permitted mode.
17. The shareholders can also access the Annual Report 2013-14 of the Company circulated to the Members of the Company and other information about the Company on Company's website, i.e., www.ovpl.co.in or on Stock Exchange websites, which is www.bseindia.com.
18. Additional Information pursuant to Clause 49 of Listing Agreement with Stock Exchanges in respect of the Directors seeking appointments at the AGM, are furnished and forms a part of Notice. The Directors have furnished the requisite consents / declarations for their appointment.
19. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
20. Members are requested to quote Folio Number/DP ID & Client ID in their correspondence.
21. The Equity shares of the Company are listed on BSE Limited and Listing Fees for the financial year 2014-2015 have been paid to BSE.

Thane, November 28, 2014

By order of the Board
For Oriental Veneer Products Limited

Registered Office :

Village Aghai, Via Kalyan Railway Station
Thane -421 301

Karim N. Mithiborwala
(DIN : 00171326)
Chairman & Managing Director

Explanatory Statement pursuant to Section 102 of the Companies Act 2013

ITEM NO. 4

Mr. Khalid A. Dablikar was appointed on the Board of Directors of the Company on 31st March 2003. He is an Independent Director & has held office as such for more than 5 years. The Securities & Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of the Independent Directors. In view of the same, it is proposed to appoint Mr. Khalid A. Dablikar as Independent Director under Section 149 of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years up to 31st December 2019.

Mr. Khalid A. Dablikar is not disqualified from being appointed as the Independent Director in terms of Section 164 of the Act; he has also furnished his consent to act as the independent Director of the Company. Also, the Company has received the Notices from its Members in accordance with the Section 160 of the Act proposing the candidature of him for the office of Director of the Company.

The Company has also received declarations from Mr. Khalid A. Dablikar that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Khalid A. Dablikar fulfills the conditions for appointment as Independent Director as specified in the Act as well as under the Listing Agreement. Mr. Khalid A. Dablikar is Independent of the Management.

Copy of the draft letters for the appointment of Mr. Khalid A. Dablikar as Independent Director setting out the terms and conditions of his appointment is available for inspection by members at the Registered Office of the Company.

None of the other Directors except, Mr. Khalid A. Dablikar may be deemed to be concerned or interested in the said Resolution financially or otherwise in any way.

The Board recommends resolution for approval by members.

ITEM NO. 5

Mr. Mustufa S. Pardawala was appointed on the Board of Directors of the Company on 31st March 2003. He is an Independent Director & has held office as such for more than 5 years. The Securities & Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of the Independent Directors. In view of the same, it is proposed to appoint Mr. Mustufa Saifuddin Pardawala as Independent Director under Section 149 of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years up to 31st December 2019.

Mr. Mustufa S. Pardawala is not disqualified from being appointed as the Independent Director in terms of Section 164 of the Act; he has also furnished his consent to act as the Independent Director of the Company. Also, the Company has received the Notices from its Members in accordance with the Section 160 of the Act proposing the candidature of him for the office of Director of the Company.

The Company has also received declarations from Mr. Mustufa S. Pardawala that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Mustufa S. Pardawala fulfills the conditions for appointment as Independent Director as specified in the Act as well as under the Listing Agreement. Mr. Mustufa S. Pardawala is Independent of the Management.

Copy of the draft letters for the appointment of Mr. Mustufa S. Pardawala as Independent Director setting

out the terms and conditions of his appointment is available for inspection by members at the Registered Office of the Company.

None of the other Directors except, Mr. Mustufa S. Pardawala may be deemed to be concerned or interested in the said Resolution financially or otherwise in any way.

The Board recommends resolution for approval by members.

ITEM NO. 6

Based on the recommendation of Nomination & Remuneration Committee the Board of Directors of the Company appointed Mr. Saleh N. Mithiborwala as whole-time Director designated as Chief Financial Officer of your Company.

Mr. Saleh N. Mithiborwala, aged 45 years is Commerce Graduate and is associated with the Company for more than 10 years. He has vast experience and expertise in Production Administration and Internal Control.

Mr. Saleh N. Mithiborwala was appointed as a Whole-time Director designated as Chief Financial Officer of the Company, for a period of 3 (Three) years with effect from 1st January 2015.

As part of the initiative to create enduring guidance for the Company, the Board of Directors of the Company subject to the approval of members, on the recommendation of Nomination & Remuneration Committee at their meeting held on May 30, 2014, had approved the appointment of Mr. Saleh N. Mithiborwala as Whole-time Director designated as Chief Financial Officer of the Company for a period of Three years commencing from 1st January 2015 on the terms and conditions and remuneration as set out in Resolution No. 6 of the accompanying notice.

The Resolution No. 6 may be treated as a written memorandum setting out the terms of re-appointment of Mr. Saleh N. Mithiborwala under Section 190 of the Companies Act 2013.

Brief resume of Mr. Saleh Najmuddin Mithiborwala, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided in the notice convening this meeting.

Mr. Karim N. Mithiborwala being Whole Time Director designated as Managing Director of the Company is a relative of the Chief Financial Officer of the Company & is interested in the resolution, and may be deemed to be interested to the extent of his shareholding interest, if any, in the resolution set out at Item No. 6 the Notice, which pertain to appointment and remuneration payable to Mr. Saleh N. Mithiborwala.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends resolution for approval by members.

ITEM NO. 7

Based on the recommendation of Nomination & Remuneration Committee the Board of Directors of the Company appointed Mr. Karim N. Mithiborwala as whole-time Director designated as Managing Director of your Company for a period of 3 (Three) years with effect from 1st January 2015.

Mr. Karim N. Mithiborwala was appointed as the Director of the Company on 29th October, 1999. Mr. Karim N. Mithiborwala, aged 51 years is a Commerce Graduate and is associated with the Company for more than a decade.

He has vast experience and expertise in Production Administration and Internal Control and has functional expertise in the areas of handling Purchases.

Mr. Karim N. Mithiborwala was appointed as a Whole-time Director designated as Managing Director of the Company, As part of the initiative to create enduring guidance for the Company, the Board of Directors of the Company subject to the approval of members, on the recommendation of Nomination & Remuneration Committee at their meeting held on May 30, 2014, had approved the appointment of Mr. Karim N. Mithiborwala as Whole-time Director designated as Managing Director of the Company for a period of Three years commencing from 1st January 2015 on the terms and conditions and remuneration as set out in Resolution No. 7 of the accompanying notice.

The Resolution No. 7 be treated as a written memorandum setting out the terms of re-appointment of Mr. Karim N. Mithiborwala under Section 190 of the Companies Act 2013.

Brief resume of Mr. Karim N. Mithiborwala, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided in the notice convening this meeting.

Mr. Saleh N. Mithiborwala being Whole Time Director designated as Chief Financial Officer of the Company is a relative of the Managing Director of the Company & is interested in the resolution, and may be deemed to be interested to the extent of his shareholding interest, if any, in the resolution set out at Item No. 7 the Notice, which pertain to appointment and remuneration payable to Mr. Karim N. Mithiborwala.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends resolution for approval by members

ITEM NO. 8

The Articles of Association (“AoA”) of the Company as presently was incorporated in the year 1991. The existing AoA is based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (“MCA”) had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal (“Tribunal”) such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuer’s (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

A copy of the draft of new Articles of Association is available for inspection to the members at the company’s registered office on any working days during business hours up to 29th December 2014.

The Board recommends resolution for approval by members.

ITEM NO. 9 AND 10

Under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of a Company, with the consent of the shareholders obtained by an Ordinary Resolution could borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose. Likewise, under the erstwhile Section 293(1) (a) to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company, Ordinary Resolution was required.

Under the provisions of Section 180 of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company and to create mortgages/ charges/ hypothecation. The borrowing limit is proposed to be fixed at ₹ 100.00 Crore in view of the expansion plans of the Company.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 9 and 10 of the Notice.

The Board commends the Resolution at Item No. 9 and 10 of the Notice for approval of the shareholders by a Special Resolution.

Details of Director seeking appointment / re-appointment in the 23rd Annual General Meeting on 30th December 2014 (in term of Clause 49 of the Listing Agreement)

Name of Director	Mr. Khalid A Dablikar	Mr. Mustufa S. Pardawala
Date of Birth	15 th January 1966	3 rd June 1964
Date of Appointment on Board	31 st March 2003	31 st March 2003
Qualification	B. Com, Graduate	B. Com, Graduate
Experience	Experience in Company Law and Legal Matters.	Rich experience of above 18 Years in Company Law, Financial & Money market as well as expertise in Accounting & Taxation matters.
Terms & Conditions of Appointment / Re-appointment	5 Years commencing from 1 st Jan 2015 up to 31 st Dec 2019	5 Years commencing from 1 st Jan 2015 up to 31 st Dec 2019
Shareholding in Company	60,300 Equity Shares	Nil
Relationship with the Company	Not Any	Not Any
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Not Any	Not Any

Thane, November 28, 2014

By order of the Board
For Oriental Veneer Products Limited

Registered Office :

Village Aghai, Via Kalyan Railway Station
Thane -421 301

Karim N. Mithiborwala
(DIN : 00171326)
Chairman & Managing Director

Directors' Report

To The Members,

Your Directors have pleasure in presenting the 23rd Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2014.

(₹ in Lac)

Financial Results	Year Ended 31.03.2014	Year Ended 31.03.2013
Revenue from Operations	7147.86	6827.28
Profit before Tax & Extra-ordinary items	103.68	89.21
Less : Provision for Taxation (including Deferred Tax)	55.21	14.54
Profit after Tax	48.47	74.67

OVERVIEW OF ECONOMY

A survey by global consultancy firm Ernst & Young (E&Y) sees India as the world's most attractive investment destination. With the opening up of foreign direct investment (FDI) in several sectors, India is today an eye-catching destination for overseas investors. The relaxation of norms by the government has created a vast opportunity for foreign players, who are competing for a greater role in the Indian market. Sectors projected to do well in the coming years include automotive, technology, life sciences and consumer products.

India has also become a hotbed for research and development (R&D) and the country is now a preferred destination for automotive R&D, as per a study on the Global Top 500 R&D spenders by globalization advisory and market expansion firm, Zinnov. The study noted that there was strong potential for growth in areas such as engineering analytics and that significant talent could be found in 'Deccan Triangle' region, which encompasses Pune, Bangalore and Hyderabad.

The World Bank has projected an economic growth rate of 5.7 per cent in FY15 for India, due to a more competitive exchange rate and several significant investments going forward.

India is the third biggest economy in the world in terms of purchasing power parity (PPP), according to a World Bank report. The country was ranked 10th in the previous survey conducted in 2005.

The stakes held by foreign institutional investors (FII) in Indian companies touched a record high in the fourth quarter of FY 14. The estimated value of FII holdings in India stands at US\$ 279 billion.

OVERALL PERFORMANCE & OUTLOOK

Gross revenue from operations remained at ₹ 7147.86 Lac in comparison to last years' figure of ₹ 6827.28 Lac. In term of Net Profit, the same was of ₹ 48.47 Lac in comparison to last years' net profit of ₹ 74.67 Lac.

Your Company is into the business of Railway supply of veneer and its allied products and is one of the empanelled vendors of Indian Railways. The Company is into the manufacturing activities of Wood based resin impregnated densified Laminated Boards (COMPREG).

The outlook for the current year is challenging mainly due to sluggish economy. However, your Company expects to grow despite the adverse environment due to its commitment to members of the Company.

DIVIDEND

Due to lack of sufficient profit and looking to the future challenges and to the implementation of expansion plan, Your Directors do not recommend any Dividend for the year under review.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

MANAGEMENT DISCUSSION & ANALYSIS

As required by Clause 49 of Listing Agreement, the Management Discussion and Analysis is annexed and forms part of the Directors' Report.

MANAGEMENT

There is no Change in Management of the Company during the year under review.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association Mr. Saleh Najmuddin Mithiborwala (DIN: 00171171) Director retire by rotation and being eligible offer himself for re-appointment. Directors recommend his re-appointment.

Mr. Afzal A. Patel Director who retires by rotation and being eligible; but does not offer himself for re-appointment.

As per Section 149(4) of the Companies Act, 2013, which came into effect from April 1, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Accordingly, resolution proposing appointment Mr. Khalid A. Dabikar, Mr. Mustafa S. Pardawala as Independent Directors, forms part of the Notice of the Annual General Meeting and the Company has received requisite notices in writing under Section 160 of the Companies Act, 2013

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independents as prescribed both under sub-section(6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, your Company is required to appoint Key Managerial Personnel. Accordingly, your Company has appointed its Key Managerial Personnel viz. based on the recommendation of Nomination & Remuneration Committee the Board of Directors of your Company at their Board Meeting held on 30th May, 2014 has appointed Mr. Karim N. Mithiborwala as whole time Director designated as Managing Director for a period of Three Years w.e.f. 1st January 2015 & Mr. Saleh N. Mithiborwala as Whole Time Director designated as Chief Financial Officer for a period of Three Years w.e.f. 1st January 2015 subject to the approval of Shareholders at the forthcoming Twenty Third Annual General Meeting. The Board recommends their appointments.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annual accounts, for the year ended 31st March 2014, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. The Directors had 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

4. The Directors had prepared the annual accounts on a going concern basis.

INFORMATION TECHNOLOGY

Your Company believes that in addition to progressive thought, it is imperative to invest in information and technology to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the best, your Company has tie-ups with an IT solution Company to harness and tap the latest and the best of technology in the world and deploy/absorb technology wherever feasible, relevant and appropriate.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

M/s. Anil Bansal & Associates, Chartered Accountants, Mumbai (Reg. No. 100421W) and M/s. NBS & Co. Chartered Accountants Mumbai, (Reg. No. 110100W) Joint Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible to offer themselves for re-appointment. Letters under Section 141(3) (g) of the Companies Act, 2013 regarding their eligibility for the proposed appointments have been obtained from them. Your Directors recommend their appointment

PARTICULARS OF EMPLOYEES

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial throughout the year.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1975 is reported to be NIL.

PARTICULARS UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956

The Company is engaged in the business of manufacturing veneer and its allied products. The information regarding Conservation of Energy, Technology Absorption, Adoption and Innovation, the information required under section 217(1)(e) of the Companies Act, 1956 is reported to be as under:

MURBAD UNIT- ELECTRICITY	2013-2014	2012-2013
Electricity Purchased [Units (KWH)]	954616	882460
Total Amount (₹)	6768561	7308375
Average Rate (₹)	7.09	8.28
<u>Consumption Per Unit of Production</u>		
Production (Units)	Refer Note*	Refer Note*
Cost of Electricity Consumption (₹) / Unit.	Refer Note*	Refer Note*

*Due to nature of the products of the company, a detail of unit per product is unascertainable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Details regarding the Foreign Exchange earnings & outgo are given in Notes to Account No. 34, 35, 36 & 37 in the Audited Annual Accounts of the Company.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

REPORT ON CORPORATE GOVERNANCE

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 1956 and the Listing Agreement with the BSE Limited. Pursuant to Clause 49 of the Listing Agreement, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Thane, November 28, 2014

By order of the Board
For Oriental Veneer Products Limited

Registered Office :

Village Aghai, Via Kalyan Railway Station
Thane -421 301

Karim N. Mithiborwala
(DIN : 00171326)
Chairman & Managing Director

Management Discussion & Analysis

MACRO ECONOMIC ENVIRONMENT

In the recent past, the Indian economy has had to overcome varied challenges in its resolve to sustain its economic success. The major challenges included: unsupportive external environment, domestic structural constraints, growth slowdown and inflationary pressures. The slowdown manifested in the decline in the growth of Gross Domestic Product (at factor cost at constant 2004-05 prices) from 8.9 per cent in 2010-11 to 6.7 per cent in 2011-12 and 4.5 per cent in 2012-13. With the economy projected to have registered a growth rate of 4.9 per cent in 2013-14, the declining trend in growth seems to have reversed. The growth slowdown in India is broadly in sync with trends in similar emerging economies. The sharp downturn in growth owes to the interface of domestic factors with the global economic environment of uncertainties and slow growth in many advanced economies. The growth of real GDP has generally shown a declining trend since the first quarter (Q1) of 2011-12, and is characterized by a moderation in services growth and a protracted slowdown in industry. The revival in agriculture on the back of a steady monsoon and robust growth in financial and business services led to a modest uptick in growth in 2013-14.

The policy response of the Government to the present growth slowdown has been in the form of structural reforms aimed at reducing entry-barriers and boosting competition and productivity in various sectors; fiscal consolidation and reforms in administered prices; further strengthening of financial/banking sectors; introduction of instruments to encourage financial savings of households; measures to restart the investment cycle through support to infrastructure financing and encouragement to micro, small and medium enterprises (MSMEs); steps to revive growth in manufacturing and reforms in energy pricing. These policies have gone hand-in-hand with macroeconomic stabilization that has had to balance the concerns of inflation and growth recovery, while managing a volatile external situation characterized by a sharp depreciation of the Rupee witnessed till the second quarter (Q2) of 2013-14.

In the face of growing uncertainties in global financial conditions, monetary easing was paused in June 2013. However, there has been significant improvement in the external situation. With acceleration in the growth of exports and decline in imports, the trade deficit for 2013-14 (April-December) has narrowed considerably. Reduction in the trade deficit, complemented by a rise in net invisibles receipts, resulted in significant reduction in the current account deficit (CAD) in the first half (H1) of 2013-14. In response to these developments, and due to steps undertaken to moderate the CAD, the exchange rate, that breached the level of 68 per US\$ in August 2013, recovered to 61.16 per US\$ on October 11, 2013. The exchange rate of the rupee averaged 61.91 per US\$ in December 2013.

On the fiscal front, the slowdown in growth affected tax collections and receipts from disinvestment of Public Sector Undertakings. However, the Government is on track to achieve the fiscal deficit to GDP target envisaged for 2013-14

REVIEW OF OPERATIONS

Gross revenue from operations remained at ₹ 7147.86 Lac in comparison to last years' figure of ₹ 6827.28 Lac. In term of Net Profit, the same was of ₹ 48.47 Lac in comparison to last years' net profit of ₹ 74.67 Lac.

BUSINESS SEGMENT

Your Company is into the business of Railway supply of veneer and its allied products and is one of the empanelled vendors of Indian Railways. The Company is into the manufacturing activities of Wood based resin impregnated densified Laminated Boards (COMPREG) in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

OPPORTUNITIES

- **Easy Sourcing of raw materials:** India has huge forest cover and well developed chemical industry leading to easy availability.
- Few players have a vertically integrated supply chain (they own plantations as well) which helps them procure best quality timber
- Marketing efforts focus on strengthening relationships with network through relationship building programs help retain distributors
- Focus on key influencers by mapping their performance (namely architects, interior designers, carpenters and contractors) and rewards for their performance
- **Continuous innovation in product offerings:** Innovations like Engineered wood flooring and MFC(Melamine faced chip board) help them stay competent in the international market
- Capacity utilization has improved significantly during last few years which has improved profitability

THREATS & CONCERNS

- Major challenge being faced by the plywood / veneer industry is the monopolization of certain critical inputs for plywood manufacturing. Face veneer, which provides support and finishing to the plywood, is one such product. Prepared from gurgan and kuring woods imported from Burma and Malaysia, it is a monopoly item
- Another threat is invasion of Indian market by Chinese plywood products
- Threats from wood substitutes made from agro wastes such as bagasse, rice husk and cotton stalk or from wood that cannot be used as timber, such as twigs and small branches
- Low operational efficiency in Indian plywood / veneer industry leads to low profitability
- Competition has lead to increase in the bargaining power of customers making pricing cut throat

RISK MANAGEMENT

The Company has aligned its policy on risk assessment in line with global approach and risk assessment reports are reviewed on regular intervals. The Company has adopted a focused approach towards risk management in the form of a corporate insurance program which has the goal of optimizing the financing of insurable risks by using a combination of risk retention and risk transfer. The program covers all potential risks relating to business operations of the Company.

The Company's business critical software is operated on a server with regular maintenance and back-up of data. The system's parallel architecture overcomes failures and breakdowns. Reliable and permanently updated tools guard against virus attacks. Updated tools are regularly loaded to ensure a virus free environment.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has implemented a comprehensive system of internal controls and risk management systems for achieving operational efficiency, optimal utilisation of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed by both internal and external agencies for its efficiency and effectiveness. Management information and reporting system for key operational activities form part of overall control mechanism.

The Company has retained the services of independent firms of professionals to function as internal auditors and provide reports on various activities covering observations on adequacy of internal controls and their recommendations. Findings of internal audit reports and effectiveness of internal control measures are reviewed by top management and audit committee of the Board. During the year, internal audit team of Company performed audits of major operational areas of the Company and carried out elaborate checks and verification and shared their findings with top management for remediation of minor gaps wherever required.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2013-2014, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The Company constantly strives to meet and exceed expectations in terms of the quality of its business and services. The Company commits itself to ethical and sustainable operation and development of all business activities according to responsible care and its own code of conduct. Corporate Social Responsibility is an integral part of the Company's philosophy and participates in activities in the area of education and health.

CAUTIONARY STATEMENT

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Thane, November 28, 2014

By order of the Board
For Oriental Veneer Products Limited

Registered Office :

Village Aghai, Via Kalyan Railway Station
Thane -421 301

Karim N. Mithiborwala
(DIN : 00171326)
Chairman & Managing Director

Annexure to the Directors' Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our Employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

The goal is achieved through –

- ✓ Infusion of best expertise in the Board;
- ✓ Consistent monitoring and improvement of the human and physical resources;
- ✓ Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Oriental Veneer Products Ltd. (OVPL) is as under :-

1. **Board of Directors :** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. **Committees of the Board :** The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Investors' Grievance Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS

Composition of Directors

The Board has five members with an executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, taxation and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

The Board of Directors met 5 times on 15th May, 30th May, 14th August and 14th November in year 2013 and on 14th February in the year 2014 during the financial year 2013-2014.

The composition and category of the Board of Directors as at March 31, 2014 as well as the details of Board Members are as under:

Name	Designation	DIN	Date of Joining	Board Meetings Attended	Committee Membership in other Public Ltd. Cos.	Committee Chairman-ship in other Public Ltd. Cos.	No. of Directorship in other Public Ltd. Cos.
Karim N Mithiborwala*	Chairman & Managing Director	00171326	29 th Oct 1999	5	Nil	Nil	Nil
Saleh N Mithiborwala	Whole time Director	00171171	29 th Oct 1997	5	Nil	Nil	Nil

ORIENTAL VENEER PRODUCTS LIMITED

Afzal A. Patel	Independent Director	00310289	31 st March 2003	4	Nil	Nil	Nil
Khalid A. Dablikar	Independent Director	02812682	31 st March 2003	5	Nil	Nil	Nil
Mustufa S. Pardawala	Independent Director	02814971	31 st March 2003	5	Nil	Nil	Nil

*Chairman of the Board

AUDIT COMMITTEE

The Audit Committee consists of two Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the “Board”) of Oriental Veneer Products Ltd., (the “Company”) in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, stock exchanges and others, (b) the Company’s compliances with legal and regulatory requirements, (c) the Company’s independent auditors’ qualification and independence, (d) the audit of the Company’s Financial statements, and the performance of the Company’s internal audit function and its Independent Auditors.

Terms of Reference

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting System, internal control system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory & Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and fixing their remuneration, appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions & Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Additionally, the following terms of reference were issued to the Audit Committee by the Board of Directors:

- to consider and recommend to the Board the investment guidelines for Capital Market operations;
- to review the Annual Budget;
- to take note of the significant decisions taken or important developments considered at the Management Committee/Working Board Meetings; and
- to carry out any other duties that may be delegated to the Audit Committee by the Board of Directors from time-to-time.

Authority and Responsibilities

The Audit Committee has power to investigate any activity within its terms of reference, call upon any of the Employees of the Company, to obtain outside legal or other professional advice as and when the same is being required and to secure attendance of outsiders with relevant expertise, if it considers necessary.

Following are the Role of Audit Committee –

- Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, Audit Committee reviews the followings :

- i Management discussion and analysis of financial condition and results of operations;
- ii Statement of significant related party transactions submitted by management;
- iii Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
- iv Internal audit reports relating to internal control weaknesses;
- v The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The members of Audit Committee met five times on 15th May, 30th May, 14th August and 14th November in year 2013 and on 14th February in the year 2014 during the financial year ended on 31st March 2014.

Name	Number of Meetings Held	Meetings Attended
Mr. Afzal Patel*\$	4	4
Mr. Mustufa S. Pardawala@	5	5
Mr. Khalid A Dablikar	5	5
Mr. Karim N. Mithiborwala#	1	1

*Chairman of Committee, \$Resigned w.e.f. 30th December 2014, @Appointed as Chairman of the Committee w.e.f. 30th December 2014, #Appointed as Member of the Committee

NOMINATION & REMUNERATION COMMITTEE

The Board has constituted Nomination and Remuneration Committee in accordance with provisions of the Companies Act, 2013 and Clause 49 of Listing Agreement on 30th May, 2014. The terms and reference of Remuneration Committee was conferred on the Nomination and Remuneration Committee and consequently, the Remuneration Committee was dissolved.

The Committee's constitution and terms of reference are in compliance with Provisions of the Companies Act, 2013, Clause 49 of the Listing Agreement.

Terms of Reference of Nomination and Remuneration Committee, inter alia, includes the following

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a

Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Remuneration Policy of the Company

The Managing Director and the Executive Directors of the Company are entitled for payment of remuneration as decided by the Board on the recommendation of Nomination and Remuneration committee and approved by the members as per the provisions of the Companies Act, 1956. No remuneration is paid to any Non-Executive Directors during the financial year 1st April 2013 to 31st March 2014 except sitting fee for attending Board meetings and committee meetings.

Details of Remuneration paid to Directors

Sum of Rs. 2.25 Lac have been paid as Remuneration to Mr. Karim N. Mithiborwala, Managing Director, and sum of Rs. 2.50 Lac have been paid as Remuneration to Mr. Saleh N. Mithiborwala during the financial year 2013-2014. No Fees has been paid to any of other Directors of the Company for attending Board & Committee Meetings.

No Stock option has been allotted to any of the Directors during the financial year 2013-2014.

None of the Independent Directors holds any shares in their name or in the name of their relatives.

The members of Nomination & Remuneration Committee met 4 times on 30th May, 14th August and 14th November in year 2013 and on 14th February in the year 2014 during the financial year ended on 31st March 2014.

Name	Number of Meetings Held	Meetings Attended
Mr. Afzal Patel*\$	3	3
Mr. Mustufa S. Pardawala@	4	4
Mr. Khalid A Dablikar	4	4
Mr. Karim N. Mithiborwala#	1	1

*Chairman of Committee, \$Resigned w.e.f. 30th December 2014, @Appointed as Chairman of the Committee w.e.f. 30th December 2014, #Appointed as Member of the Committee

INVESTOR GRIEVANCE COMMITTEE

The Board of Oriental Veneer Products Limited has constituted a Committee of Directors, which inter-alia also functions as “Shareholders/Investors” Grievance Committee, consisting of three members, chaired by a Non-Executive, Independent Director. The Committee meets once a month and inter-alia, deals with various matter relating to:

- ✓ Transfer/transmission/transposition of shares;

ORIENTAL VENEER PRODUCTS LIMITED

- ✓ Consolidation/splitting of shares/folios;
- ✓ Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- ✓ Review of Shares dematerialized and all other related matters; and
- ✓ Investors' grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

The Share Department of the Company and the Registrar and Share Transfer Agent, Adroit Corporate Services Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Shareholders'/Grievances Committee are noted by the Board of Directors at the Board Meetings.

COMPOSITION OF COMMITTEE AND MEETINGS ATTENDED

The members of Investors' Grievance Committee met 4 times on 30th May, 14th August and 14th November in year 2013 and on 14th February in the year 2014 during the financial year ended on 31st March 2014.

Name	Number of Meetings Held	Meetings Attended
Mr. Afzal Patel*\$	3	3
Mr. Mustufa S. Pardawala@	4	4
Mr. Khalid A Dabikar	4	4
Mr. Karim N. Mithiborwala#	1	1

*Chairman of Committee, \$Resigned w.e.f. 30th December 2014, @Appointed as Chairman of the Committee w.e.f. 30th December 2014, #Appointed as Member of the Committee

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

COMPLIANCE OFFICER

The Company has appointed Ms. Manisha Kharat as a Compliance Officer within the meaning of Listing Agreement.

DETAILS OF SHAREHOLDERS' COMPLAINTS DURING THE YEAR

There was Nil Complaint at the beginning of Financial Year, and the Company did not receive any complaint from any of its Members and thus there were Nil Complaints at the end of Financial Year ending on 31st March 2014.

Further, as required under Clause 47C of the Listing Agreement, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email ID under Clause 47(f) of Listing Agreement and the same is compliance. ovpl@gmail.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES section on SEBI website for faster addressing and resolutions of Investor Complaints.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
22 nd Annual General Meeting	30 th September 2013, 10.00 AM	Registered Office of the Company
21 st Annual General Meeting	29 th September 2012, 10.00 AM	Registered Office of the Company
20 th Annual General Meeting	30 th September 2011, 10.00 AM	Registered Office of the Company

LOCATION AND TIME OF LAST TWO EXTRA-ORDINARY GENERAL MEETINGS :

No Extra-Ordinary General Meetings have been held during last three financial years.

POSTAL BALLOT

No Resolution has been passed during last three financial years through Postal Ballot Rules 2011.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

SPECIAL RESOLUTION PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:

No Special Resolution has been proposed or passed during last three Annual General Meetings.

No Special Resolutions have been proposed or passed during last financial year 2013-2014.

BOARD DISCLOSURES**Compliance with Governance Framework**

The Company is in compliance with all mandatory requirements of Clause 49 of Listing Agreement. In addition, the Company has also adopted the non-mandatory requirements of constitution of Remuneration and Nomination Committee and tenure of office of Independent Directors i.e. in financial year 2014-2015.

Disclosure on materially significant related parties transactions that may have potential conflict of interests of the Company at large

There are no materially significant related party transactions made by the Company with its Promoters, their subsidiaries, Directors, Senior Management or relatives etc., which may have potential conflict with the interest of the Company at large. Suitable disclosures have been made in Note No. 32 of Notes to Accounts in regard to the related party transactions.

Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 211(3)(c) of the Companies Act, 1956. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

Risk Management

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the following :-

- ❖ Governance of Risk
- ❖ Identification of Risk
- ❖ Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

Insider Trading

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a “Code of Conduct” for Prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer has been appointed for monitoring adherence to the said Regulations.

DISCLOSURES

- (a) There were no transactions with related party i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large. The details of the related Party transactions are disclosed under the notes on accounts, as required under the Accounting Standard 18 issued by the Institute of Chartered Accountants of India.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.
- (d) **Reconciliation of Share Capital** : A qualified Practicing Company Secretary carried out Reconciliation of Share Capital on quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The “Reconciliation of Share Capital Audit Report” confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics (“the Code”) which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of

Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

The Company has adopted/complied with the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of Listing Agreement with the Stock Exchange :-

- a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) There was no case of Non-Compliance during financial year 2013-2014 in term of provisions of Listing Agreement entered into with BSE by the Company. Further, no penalties have been levied or actions have been taken by BSE or SEBI during last three years.
- c) The Company has complied with all mandatory provisions of listing agreement.
- d) The financial statements of the Company are unqualified.
- e) The Board of Directors of the Company have adopted the Whistle Blower Policy and appointed an ombudsperson. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

MEANS OF COMMUNICATIONS

- The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.
- The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to BSE Limited and published in the leading English Newspapers and in vernacular language Newspaper.
- Company posts its Quarterly Results/Half Yearly/Nine Months & Annual Results on its website www.ovpl.co.in.
- Official News releases have been posted on its web portal www.ovpl.co.in.
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report is available on its website www.ovpl.co.in and also on BSE website www.bseindia.com. Further, if Investor is desirous of getting physical copy of Annual Report, Investor can send their request to M/s. Adroit Corporate Services Private Ltd., Registrar & Share Transfer Agent, by sending request letter or by sending email to them.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 23rd Annual General Meeting for the financial year ended on 31st March 2014 is as follows :-

Day & Date : Tuesday, 30th December 2014
 Time : 9.30 A.M.
 Venue : Village Aghai, Via Kalyan Railway Station, Thane -421 301

b. Financial Year : 1st April to 31st March.

c. Future Calendar :

Subject Matter	Date
Financial Reporting of 1 st Quarter ended on 30 th June 2014	Mid of August, 2014
Financial Reporting of 2 nd Quarter ended on 30 th September 2014	Mid of November, 2014
Financial Reporting of 3 rd Quarter ended on 31 st December 2014	Mid of February 2015
Financial Reporting of 4 th Quarter ended on 31 st March 2015	During May 2015
Date of Annual General Meeting	During September 2015

d. Date of Book Closure : December 27 to December 30, 2014. (Both days inclusive)

e. Dividend Payment Date : No Dividend has been recommended during for the year.

f. Listing of Shares : BSE Limited (BSE)

g. Listing Fees : Company has paid Annual listing Fees to BSE and Annual Custodial Fees to NSDL & CDSL for year 2014-2015.

h. Stock Code & ISIN : Scrip Code 531859 on BSE.
 ISIN INE457G01011 on both NSDL & CDSL

i. Market Price Data :

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2013	-	-	-	19622.68	18144.22
May 2013	-	-	-	20443.62	19451.26
June 2013	-	-	-	19860.19	18467.16
July 2013	-	-	-	20351.06	19126.82
August 2013	-	-	-	19569.20	17448.71
September 2013	-	-	-	20739.69	18166.17
October 2013	-	-	-	21205.44	19264.72
November 2013	-	-	-	21321.53	20137.67
December 2013	-	-	-	21483.74	20568.70
January 2014	68.00	68.00	1616	21409.66	20343.78
February 2014	68.00	68.00	1	21140.51	19963.12
March 2014	-	-	-	22467.21	20920.98

j. Registrar & Share Transfer Agent.

M/s. Adroit Corporate Services Private Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of physical. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Adroit Corporate Services Private Ltd.

19, Jaferbhoy Industrial Estate, 1 Floor, Makwana Road, Marol Naka, Mumbai – 400 059.

Tel. No: +91 22-2859 0942, Fax No : +91 22- 2850 3748, E-mail : info@adroitcorporate.com

k. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, Adroit Corporate Services Private Ltd. and approved by Share Transfer Committee, if the documents are complete in all respects, within 15 days from the date of lodgment.

l. Distribution of Shareholding as on 31st March 2014

No. of Equity Shares	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
Up to - 100	63	0.04	2133	27.16
101 - 500	55	0.39	20842	23.71
501 - 1000	16	0.27	14509	6.90
1001 - 2000	21	0.60	32216	9.05
2001 - 3000	3	0.14	7700	1.29
3001 - 4000	1	0.06	3500	0.43
4001 - 5000	10	0.82	44400	4.31
5001 - 10000	7	0.93	49900	3.02
10001 - 20000	5	1.54	83000	2.16
20001 - 50000	20	11.10	598200	8.62
50001 and Above	31	84.11	4533900	13.36
Total....	232	100.00	5390300	100.00

m. Shareholding Pattern as on 31st March 2014

Categories	No. of Shares	% of Shareholding
Promoters, Directors, Relatives & Person acting in concert	2867750	53.20
Indian Bank	0	0.00
Foreign Financial Institutions	0	0.00
Others (NRI)	0	0.00
Hindu Undivided Family (HUF)	0	0.00
Private Corporate Bodies	245898	4.56
Indian Public	2276652	42.24
Clearing Member	0	0.00
Total	5390300	100.00

n. Dematerialization of Equity Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

As on 31st March 2014, 86.92% Equity Shares of the Company are in dematerialized form.

o. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 [Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

p. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

q. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

r. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

s. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Adroit Corporate Services Private Ltd. to their dedicated e-mail id i.e., "info@adroitcorporate.com."

t. Details on use of Public Funds Obtained in the last three years :

No fund has been raised during last three financial years.

u. Green initiatives in Corporate Governance to receive documents through email by registering your email address :

The Ministry of Corporate Affairs (MCA) has taken a “Green initiative in the Corporate Governance” by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company is sending notices/documents such as Annual Reports and notices by email to the shareholders who have registered their email address with DP/RTA. To support this laudable move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding, through the respective Depository Participant (DP) and in respect of physical holding, through the Registrar and Share Transfer Agent (RTA) M/s. Adroit Corporate Services Private Ltd.

While every notice/document will be sent through email address registered with the Company/RTA/DP, in case you desire to receive any notice/document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

v. Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :

Not Any.

w. Investors’ Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company :-

Ms. Manisha Kharat - compliance.ovpl@gmail.com

x. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

y. Address for Correspondence

ORIENTAL VENEER PRODUCTS LIMITED

Village Aghai, Via Kalyan Railway Station, Thane -421 301

Email : compliance.ovpl@gmail.com, URL : www.ovpl.co.in

Chairman & Managing Director's Declaration on Code of Conduct

As required by Clause 49 of Listing Agreement, the Managing Director and CEO's Declaration for Code of Conduct is given below:

The Members of

ORIENTAL VENEER PRODUCTS LIMITED

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we certify that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) we have indicated to the auditors and the Audit committee
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Oriental Veneer Products Limited

Karim N. Mithiborwala

(DIN : 00171326)

Chairman & Managing Director

ANNUAL CERTIFICATE UNDER CLAUSE 49(I)(D) OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

I, **Karim N. Mithiborwala**, Chairman & Managing Director of the M/s. Oriental Veneer Products Limited declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March 2014.

For Oriental Veneer Products Limited

Thane, November 28, 2014

Karim N. Mithiborwala

(DIN : 00171326)

Chairman & Managing Director

Auditors' Certificate on Corporate Governance

To the Members of **ORIENTAL VENEER PRODUCTS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Oriental Veneer Products Ltd. (The Company) for the year ended 31st March 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with BSE Ltd.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's 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 an 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 complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

For Anil Bansal & Associates

Chartered Accountants
FRN : 100421W

For NBS & Co.

Chartered Accountants
FRN : 110100W

Anil Bansal

Proprietor
Membership No. 043918

Pradeep J. Shetty

Partner
Membership No. 46940

Place : Mumbai

Date : 28th November 2014

Place : Mumbai

Date : 28th November 2014

Independent Auditor's Report

To,
The Members of Oriental Veneer Products Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Oriental Veneer Products Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting Standards, notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to followings notes to the financial statements :

- i We draw attention to Note 39 (b) to the financial statements, with respect to ₹ 14.01 Crore (Previous Year ₹ 15.23 Crore) of debtors as at March 31, 2014. As explained to us, the Company is in discussion to expedite the recoverability of the above aforesaid outstanding amounts and believes that the entire amount is fully recoverable. Pending the ultimate outcome of such discussion relation to recovery of the amounts from the debtors, no adjustments have been considered necessary by the management in these financial statements in this regard. We have not been provided the basis of management estimate of recovery. We are unable to comment, if any, of the extent of recoverability of above debtors.
- ii The outstanding balances as on 31st March, 2014 in respect of balances from trade payables, trade receivables and other loans and advances are subject to confirmation from respective parties and consequential reconciliation and adjustments arising there from if any. In absense of sufficient information in the possession of company, we are unable to comment on the future impact on the same.

Our opinion is not qualified in respect of this matters.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2 As required by Section 227(3) of the Act, we report that:
 - a. 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;
 - b. 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 those books.
 - c. The Balance Sheet, and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs respect of Section 133 of the Companies Act, 2013.
 - e. On the basis of the written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors are not disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

Anil Bansal

Proprietor

Membership no.: 043918

Place : Mumbai

Date : 28th November 2014

For NBS & Co.

Chartered Accountants

Firm registration number:110100W

Pradeep. J. Shetty

Partner

Membership no. 46940

Place : Mumbai

Date : 28th November 2014

Annexure Referred to In Paragraph 3 of Auditor's Report of even date to the members of Oriental Veneer Products Ltd. ("the Company") on the Financial Statement for the year ended 31st March, 2014.

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No Material discrepancies noted during the year.
- c. There was no disposal of a substantial part of fixed assets during the year.
- ii. a. Physical verification of inventory has been conducted by the management. In our opinion the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures for the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company is maintaining proper records of inventories. In our opinion, discrepancies noticed on physical verification of stocks were not material in relation to the operations of the company and the same have been properly dealt with in the books of accounts.
- iii. a. According to the information and explanations given to us, the company has not granted any loan, secured or unsecured, to companies firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clauses 4(iii) (b,c and d) of the companies (Auditors Report) order ,2003 (as amended) are not applicable to the Company and hence not commented upon.
- b. According to the information and explanations given to us, the company has availed unsecured loans from Four party listed in the register maintained under Section 301 of the Companies Act, 1956. The Maximum amount involved during the year was ₹ 11.65 Crore and year-end balance of such loans amounts to be ₹ 23.60 Crore.
- c. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- d. The loans taken are re-payable on demand. The Company has repaid the amounts demanded by the lenders during the year, and thus, there has been no default on the part of the Company.
- iv. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventories and fixed assets and sale of goods. However, the internal control system for purchase of Fixed Assets is inadequate since the purchases are made without inviting quotations. In our opinion this is a continuing failure to correct a major weakness in the internal control system.
- v. a. According to the information and explanation provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act,1956 that need to be entered into the register maintained under section 301 have

been so entered;

- b. In our opinion and according to the information and explanation given to us, the transaction entered in the registers maintain under section 301 and except for items which are of special nature for which no alternative sources of supply is available or no comparison could be made of the prices in the absence of quotation / similar transaction with other parties, have been made at prices which are reasonable having regards to prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from public under section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956, hence clause of the order is not applicable to the company and hence not commented.
- vii. The Company has an internal audit system, In our opinion, the scope and coverage of which requires to be strengthened to be commensurate with the size and nature of its business.
- viii. We have been informed by the management that , maintenance of cost record under section 209 (1)(d) is not applicable to the company
- ix. 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, Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities ,though there has been slight delay in few cases of TDS and Service Tax under RCM. The provision relating to investor education and protection fund are not applicable to the Company.
 - b. As per information and explanation provided to us, the following are the details of disputed Tax liabilities and the forum in which they are pending : (Subject to Confirmation)

	Financial Year	Amount (₹ in Lakhs)	Type of Liability	Forum Where Dispute is Pending
i)	1997-98	14.27	Central Excise	Appeal Filed with Custom, Excise and Service Tax Appellate Tribunal, Mumbai
ii)	2005-06	181.35	Income Tax	ITAT, Mumbai

- x. The Company, neither has accumulated losses at the end of the financial year nor has incurred cash losses, both, in the financial year under report and in the immediately preceding financial year.
- xi. Based on our audit procedure and as per the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or banks.
- xii. According to the information and explanation given to us and based on the documents and records produced before us, the company has not granted loans and advances on the basis of security by way of the pledge of shares, debenture and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of clause 4(xiii) of the Companies (Auditors Report) Order 2003 (as amended) are not applicable to the company.
- xiv. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other

investments. Accordingly, the provision of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.

- xv. According to the information and explanation given to us, the company has not given any guarantee for loan taken by others from banks or financial institutions.
- xvi. Based on the information and explanations given to us by the management, no term loan has been raised during the year therefore clause (xvi) of Paragraph 4 is not applicable to the company.
- xvii. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-terms-basis have been used for long-term-investments.
- xviii. 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.
- xix. The Company did not have any outstanding debentures during the year
- xix. The Company has not raised money through public issue during the year.
- xx. In our opinion and accordance to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

Anil Bansal

Proprietor

Membership no.: 043918

Place : Mumbai

Date : 28th November 2014

For NBS & Co.

Chartered Accountants

Firm registration number:110100W

Pradeep. J. Shetty

Partner

Membership no. 46940

Place : Mumbai

Date : 28th November 2014

Balance Sheet as at March 31st 2014

PARTICULARS	Note No.	As At 31.03.2014 ₹	As At 31.03.2013 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	53,884,000	53,884,000
Reserves and surplus	4	137,115,832	132,268,702
		190,999,832	186,152,702
NON-CURRENT LIABILITIES			
Long - term borrowings	5	251,224,765	217,196,147
Deferred Tax Liabilities (Net)	6	9,330,021	8,161,865
Long - term provisions	7	3,247,135	2,954,470
		263,801,921	228,312,482
CURRENT LIABILITIES			
Short - term borrowings	8	50,125,846	135,389,310
Trade Payables	9	104,194,150	109,592,684
Other current liabilities	10	10,809,358	66,934,848
Short - term provisions	11	14,267,775	11,627,976
		179,397,129	323,544,818
TOTAL		634,198,883	738,010,003
ASSETS			
NON- CURRENT ASSETS			
Fixed assets			
Tangible assets	12	60,114,848	59,945,473
Intangible assets	12	797,657	1,027,445
Capital work-in-progress	12	3,234,600	-
Non - current investments	13	6,358,915	6,358,915
Long - term loans and advances	14	8,323,689	9,223,669
		78,829,709	76,555,502
CURRENT ASSETS			
Inventories	15	83,281,595	125,417,960
Trade receivables	16	140,172,448	153,272,173
Cash and Banks balances	17	291,906,396	284,071,231
Short - term loans and advances	18	39,961,744	98,650,836
Other current assets	19	46,992	42,300
		555,369,175	661,454,500
TOTAL		634,198,883	738,010,003

Significant accounting policies and Notes to the financial statement 2

As per our report of even date
For Anil Bansal & Associates

Chartered Accountants

FRN : 100421W

Anil Bansal

Proprietor

Membership No. 043918

For NBS & Co.

Chartered Accountants

FRN : 110100W

Pradeep. J. Shetty

Partner

Membership No. 46940

For and on behalf of the Board of

ORIENTAL VENEER PRODUCTS LTD.

Saleh N. Mithiborwala

Whole Time Director

Karim N. Mithiborwala

Managing Director

Place : Mumbai

Date : 28th November 2014

Statement of Profit & Loss for the Year Ended 31st March, 2014

PARTICULARS	Note No.	2013-14 ₹	2012-13 ₹
INCOME			
Gross revenue from operations	20	830,242,348	772,981,918
Less: Excise duty & Service Tax		(82,655,843)	(65,212,380)
Less: Others Taxes		(32,799,974)	(25,041,619)
Net revenue from operations		714,786,531	682,727,919
Other income	21	25,405,513	22,682,285
Total Revenue		740,192,044	705,410,204
EXPENSES			
Cost of materials consumed	22	410,743,071	340,168,709
Purchases of traded goods	22	106,076,389	190,030,610
Change in inventories of finished goods and Working in Progress	23	59,559,574	2,256,493
Employee benefits expenses	24	54,058,849	51,841,200
Finance Costs	25	24,167,127	17,689,335
Depreciation & Amortisation expenses	26	7,488,565	7,266,849
Other Expenses	27	67,730,536	87,235,606
		729,824,111	696,488,803
Profit before tax		10,367,933	8,921,401
Tax expenses			
Current tax		(4,352,646)	(3,832,588)
Deferred tax		(1,168,156)	2,378,504
Total tax expenses		(5,520,802)	(1,454,084)
Profit for the year		4,847,130	7,467,317
Earning per equity share of face value of share ₹. 10 each			
Basic & Diluted (in ₹.)			

Significant accounting policies and Notes to the financial statement 2

As per our report of even date

For Anil Bansal & Associates
Chartered Accountants
FRN : 100421W

For NBS & Co.
Chartered Accountants
FRN : 110100W

For and on behalf of the Board of
ORIENTAL VENEER PRODUCTS LTD.

Anil Bansal
Proprietor
Membership No. 043918

Pradeep. J. Shetty
Partner
Membership No. 46940

Saleh N. Mithiborwala
Whole Time Director

Place : Mumbai
Date : 28th November 2014

Karim N. Mithiborwala
Managing Director

Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2014

Particulars	2013-14 ₹	2012-13 ₹
A. Cash flow from operating activities		
Net profit before taxation, and extraordinary items	10,367,933	8,921,401
Adjustments for:		
Depreciation and amortisation expenses	7,488,565	7,266,849
Interest income	(25,223,575)	(22,277,456)
Dividend income	(77,512)	(80,012)
Financial Cost	24,167,127	17,689,335
Operating profit before working capital changes	16,722,538	11,520,117
Inventories	42,136,365	(28,045,587)
Trade and other Receivables	13,099,725	2,108,301
Loans & advances and Other assets	59,589,072	(2,184,730)
Trade and Other liabilities	(5,398,534)	(47,190,700)
Change in Provisions	2,932,464	(25,242,152)
Net cash from/ (used in) operating activities	129,081,631	(89,034,750)
Direct taxes paid (net of refunds)	(2,700,000)	(2,800,000)
Cash flow before extraordinary items	126,381,631	(91,834,750)
Extraordinary item	-	-
Net cash (used in) operating activities	126,381,631	(91,834,750)
B. Cash flows from investing activities		
Purchase/Deletion of fixed assets	(7,428,152)	(2,830,760)
Interest received	25,223,575	22,277,456
Dividends received	77,512	80,012
Net cash (used in) investing activities	17,872,935	19,526,708
C. Cash flows from financing activities		
Proceeds from issuance of share capital	-	-
Proceeds from long-term borrowings	34,028,618	36,587,076
Repayment of long-term borrowings	(61,017,428)	(1,783,308)
Proceeds/ Repayment from short-term borrowings	(85,263,464)	77,749,711
Interest paid	(24,167,127)	(17,689,335)
Net cash from/ in financing activities	(136,419,401)	94,864,144
Net increase/(decrease) in cash and cash equivalents (A + B + C)	7,835,165	22,556,101
Cash and cash equivalents at the beginning of the year	284,071,231	261,515,130
Cash and cash equivalents at the end of the year	291,906,396	284,071,231
Components of cash and cash equivalents		
Cash in hand	5,262,600	5,781,065
With banks		
On current account	1,451,448	861,786
PDC Cheque in Hand	-	1,881,288
On deposit account	285,192,348	275,547,092
Cash & cash equivalents at the end of the year	291,906,396	284,071,231

As per our report of even date

For Anil Bansal & Associates
Chartered Accountants
FRN : 100421W

Anil Bansal
Proprietor
Membership No. 043918

Place : Mumbai
Date : 28th November 2014

For NBS & Co.
Chartered Accountants
FRN : 110100W

Pradeep. J. Shetty
Partner
Membership No. 46940

**For and on behalf of the Board of
ORIENTAL VENEER PRODUCTS LTD.**

Saleh N. Mithiborwala
Whole Time Director

Karim N. Mithiborwala
Managing Director

Notes forming part of the Financial Statements for the year ended March 31, 2014

Note 1 - Corporate information

Oriental Veneer Products Ltd. company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 8th March 1991 as a Private Limited Company in the name of “ORIENTAL VENEER PRODUCTS PRIVATE LIMITED”. The name of Company subsequently changed from “ORIENTAL VENEER PRODUCTS PRIVATE LIMITED” to “ORIENTAL VENEER PRODUCTS LIMITED” as on 3rd July 1995 and it became as public Ltd. company, Limited by Shares.

The company is engaged in the manufacturing, buying and selling of all type Recron, Seat & Bearth, Coompreg Boards and also engaged in trading of timber woods and all its products. The Company caters to both domestic and international markets.

Note 2 - Significant accounting policies

a. Basis of preparation of financial statements

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b. Use of estimates

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

c. Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

d. Depreciation on tangible fixed assets

Depreciation on the fixed assets has been provided for on straight line method at the rates prescribed and in the manner specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions is provided on Pro-rata basis for the period for which the Assets are put to use. Assets costing Rs. 5000 or less are fully depreciated in the year of purchase.

e. Impairment of fixed assets

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on “Impairment of Assets” issued by the ICAI. Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment

loss on fixed assets is made for the difference.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Particular	Rate of Depreciation
Computer Software	20%

The Company has decided to amortize computer software within period of 5 year from its purchase. Addition made to software are amortized on pro-rata basis.

g. Leases

Company in its capacity as lessee

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to Profit and Loss accounts.

i. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

j. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on First-in First-Out basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on First-in First-Out basis.

k. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Sales Tax and VAT is included in the amount of turnover (gross). Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. Gross Turnover Includes Sale of Services i.e. Labour Charges.

Income from services

Revenue in respect of contracts for services is recognized on completion of services.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

l. Foreign currency translation

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates one defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

n. Income taxes

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 Income-Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement”.

o. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

p. Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized 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 recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Notes forming part of the Financial Statements for the year ended
March 31, 2014

Note 3 SHARE CAPITAL

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Authorised		
6,000,000 (Previous year 6,000,000) equity share of ₹ 10/- each	60,000,000	60,000,000
Issued, Subscribed and Paid up		
53,90,300 (Previous year 53,90,300) equity shares of ₹ 10/- each fully paid up	53,903,000	53,903,000
Less:- Calls in Arrears	19,000	19,000
Total	53,884,000	53,884,000

a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

	As At 31.03.2014		As At 31.03.2013	
	Number	₹	Number	₹
At the beginning of the period	5,390,300	53,903,000	5,390,300	53,903,000
Add: Issue of Shares during the year	-	-	-	-
	5,390,300	53,903,000	5,390,300	53,903,000
Less:- Calls in Arrears	-	19,000	-	19,000
Outstanding at the end of the year	5,390,300	53,884,000	5,390,300	53,884,000

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a per value of ₹ 10/- per share. Each Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Shareholders holding more than 5% shares in the company*

Name of the shareholder	As At 31.03.2014		As At 31.03.2013	
	Number	₹	Number	₹
Vision Infpro (India) Private Ltd.	550,000	10.20%	550,000	10.20%
Vali N Mithiborwala	418,700	7.77%	418,700	7.77%
Saleh N Mithiborwala	361,600	6.71%	361,600	6.71%

* As per records of the Company, Including its Register of Shareholders/ Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note 4 RESERVES AND SURPLUS

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
a) Capital Reserve*		
Balance as per the last financial statement	3,025,000	3,025,000
Add: Transfer during the year	-	-
Closing balance	3,025,000	3,025,000
* Capital Reserve stood for State Capital Subsidy		
b) General Reserve		
Balance as per the last financial statement	35,953,591	35,953,591
Add: Transfer during the year	-	-
Closing balance	35,953,591	35,953,591
Surplus in the statement of profit and loss		
Balance as per last financial statement	93,290,111	85,822,794
Add: Profit for the year	4,847,130	7,467,317
Net surplus in the statement of profit and loss	98,137,241	93,290,111
Total	137,115,832	132,268,702

Note 5 LONG TERM BORROWING

	Non-current portion		Current maturities	
	As At 31.03.2014 ₹	As At 31.03.2013 ₹	As At 31.03.2014 ₹	As At 31.03.2013 ₹
Secured				
Term loans				
Indian rupee loan from banks				
Vehicle Loan	1,273,614	-	492,812	435,728
Term loan	530,018	-	204,521	-
	1,803,632	-	697,333	435,728
Unsecured				
Loans from related parties (note - 32)	236,073,511	174,080,690	-	-
Loans from others #	13,347,622	43,115,457	-	-
	249,421,133	217,196,147	-	-
	251,224,765	217,196,147	697,333	435,728
The above amount includes				
Amount disclosed under the head "other current liabilities" (note 10)	-	-	(697,333)	(435,728)
Net amount	251,224,765	217,196,147	-	-

**b. Secured by hypothecation of vehicles acquired under said loans.

Loans from others are Statutory Govt. Liability, under Deferred Scheme of Sales Tax Payment.

Note 6 DEFERRED TAX LIABILITIES (NET)

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Related to fixed assets	9,602,821	8,483,601
Less: Disallowances under Income tax Act, 1961	(272,799)	(321,736)
	9,330,021	8,161,865

Note 7 LONG-TERM PROVISION

Provision for employee benefits		
Provision for gratuity	3,247,135	2,954,470
	3,247,135	2,954,470

Note 8 SHORT-TERM BORROWINGS

Secured Working capital loan From Banks		
Rupee Loan*	50,125,846	135,389,310
Total	50,125,846	135,389,310

*. Working Capital Loan from The Saraswat Co. Op. Bank Ltd and The Shamrao Vithal Co. Op Bank Ltd. are Secured by hypothecation of present and future Inventories, Book debts and other current assets of the Company. The Working Capital loans are further guaranteed by Directors of the Company, including Managing Director of the Company. Working Capital loans are further secured by first charge on the Fixed Assets of the Company.

Note 9 TRADE PAYABLES

Principal amount due and remaining unpaid	104,194,150	109,592,684
Total	104,194,150	109,592,684

Note 10 OTHER CURRENT LIABILITIES

Current maturities of Long Term Liabilities (Secured)	697,333	455,695
Others Liabilities	1,242,707	33,445,364
Advance from customers	2,111,047	2,175,444
Employee benefits payable	3,804,016	3,583,252
Duties and Taxes Payable	2,954,255	27,275,092
Total	10,809,358	66,934,848

Note 11 SHORT TERM PROVISION

Other		
Income Tax	12,330,589	10,426,434
Provision for Gratuity	623,031	292,665
Provision for Excise duty*	1,314,155	908,877
Total	14,267,775	11,627,976

* The Company has recognised liabilities based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March, 2013 of ₹ 9,08,877/- as per the estimated pattern of despatches . During the year ₹ 9,08,877/- was utilised for clearance of goods.Provision recognised under this class for the current year is ₹ 13,14,155/- which is outstanding as on 31st March, 2014. Actual outflow is expected in the next financial year.

Note 13 NON-CURRENT INVESTMENTS

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Non-trade investments (valued at cost)		
Investment in equity shares (quoted)		
2,00,500 (Previous Year 2,00,500) Equity Share of ₹ 10/- Each Fully Paid up in Nageshwar Investment Ltd. (Note:- 38)	5,833,915	5,833,915
Investment in equity shares (unquoted)		
2,500 (Previous Year 2,500) Equity Share of ₹10/- Each in Saraswat Co-op Bank Ltd	25,000	25,000
20,000 (Previous Year 20,000) Equity Share of ₹ 25/- Each in Shamrao Vithal Co-Op Bank Ltd.	500,000	500,000
Total	6,358,915	6,358,915

Note 14 LONG-TERM LOANS AND ADVANCES

(Unsecured, Considered Good)		
Security Deposits	5,622,700	6,522,680
Balances with statutory / government authorities		
Duties under Dispute *	2,700,989	2,700,989
Total	8,323,689	9,223,669

* (a) Duties under Dispute showing amount which is related to Excise.

Note 15 INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

Raw materials	50,432,099	28,867,137
Packing Material	395,625	167,830
Finished goods	11,946,477	8,262,252
Semi-Finished goods	20,507,393	81,899,182
Stock in Trade	-	1,852,010
Goods in Transit	-	4,369,548
Total	83,281,595	125,417,960

Note 16 LONG-TERM LOANS AND ADVANCES

Unsecured, considered good unless stated otherwise		
Due for a Period Exceeding Six Months (Refer Note 39)		
Unsecured, Considered Good	51,797,442	62,955,317
Other receivables		
Unsecured, Considered Good	88,375,006	90,316,856
Total	140,172,448	153,272,173

Note 17 CASH AND BANK BALANCES

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Balance with banks:		
On current accounts	1,451,448	861,786
PDC Cheque in Hand	-	1,881,288
Cash on hand	5,262,600	5,781,065
	6,714,048	8,524,139
Other fixed deposit with banks		
Fixed Deposit with Banks maturity more than 3 month (under Lien with banks)	285,192,348	275,547,092
Cash on hand	285,192,348	275,547,092
Total	291,906,396	284,071,231

Note 18 SHORT-TERM LOANS AND ADVANCES

(Unsecured, Considered Good)		
Advance recoverable in cash or kind	14,741,079	42,395,344
Other loans and advances	437,437	350,000
Advance income tax	22,562,186	20,188,824
Prepaid expenses	252,232	242,347
Balances with statutory / government authorities *	1,618,473	35,292,322
Staff Advances	350,337	182,000
Total	39,961,744	98,650,836

Note 19 OTHER CURRENT ASSETS

Interest accrued on Deposit with MSEB	46,992	42,300
Total	46,992	42,300

Note 20 REVENUE FROM OPERATIONS

Sale of products (Gross)	829,903,939	772,552,490
Labour Charges	338,409	429,428
Less: Excise duty & Service Tax	(82,655,843)	(65,212,380)
Less:- Other Taxes	(32,799,974)	(25,041,619)
Revenue from operation (net)	714,786,531	682,727,919
Detail of products sold (Net)		
Seat & Berth	341,938,512	304,311,282
Recorn	98,386,160	81,374,965
Compreg Board & Articles thereof	131,971,037	99,579,463
Furniture & Parts	12,584,152	-
	584,879,861	485,265,710

ORIENTAL VENEER PRODUCTS LIMITED

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Balance with banks:		
Gurjan Round Logs	37,146,030	146,628,226
Polyster Staples Fibers	91,459,861	49,728,552
Others*	962,370	739,525
	129,568,261	197,096,303
Details of Sale of Services(Net)		
Labour Charges	338,409	365,906
Total	338,409	365,906

* Sales Others included Sale of Electrical Grade & Retension Tank

Note 21 OTHER INCOME

Interest on Bank FDR	25,275,788	22,224,581
Interest on Other (MSEB Deposits)	52,213	52,875
Dividend on non current investment	77,512	80,012
Sundry Balance W/off	-	324,817
Total	25,405,513	22,682,285

Note 22 COST OF MATERIAL AND CONSUMED

Opening Stock	33,404,516	3,102,436
Add: Purchases (Including stores)	428,166,279	370,470,789
	461,570,795	373,573,225
Less: Closing Stock (including stores)	50,827,724	33,404,516
Total	410,743,071	340,168,709
Traded goods purchase		
Polyster Staples Fibers	81,577,207	48,659,694
Gurjan Round Logs	24,499,182	141,370,916
	106,076,389	190,030,610
Detail of material consumed		
Raw Material	357,497,909	291,025,329
Consumables Stores & others	42,679,224	43,823,429
Packing Material	10,565,938	5,319,952
	410,743,071	340,168,709
Detail of inventory		
Opening		
Raw material	33,236,686	3,041,128
Packing Material	167,830	30,889
Consumables Stores & others	-	30,419
	33,404,516	3,102,436

ORIENTAL VENEER PRODUCTS LIMITED

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Closing		
Raw material	50,432,099	33,236,686
Packing Material	395,625	167,830
Consumables Stores & others	-	-
	50,827,724	33,404,516

Note 23 SHORT-TERM LOANS AND ADVANCES

Closing stock of finished goods	11,946,477	8,262,252
Closing stock of Semi-finished goods	20,507,393	81,899,182
Stock in Trade	-	1,852,010
	32,453,870	92,013,444
Less: Opening stock of finished goods	8,262,252	2,691,600
Opening stock of Semi- finished goods	81,899,182	89,724,291
Stock in Trade	1,852,010	1,854,046
	92,013,444	94,269,937
Total	59,559,574	2,256,493

Note 24 EMPLOYEE BENEFIT EXPENSE

Salaries, wages and bonus	47,777,283	39,995,037
Director Remuneration	950,000	5,700,000
Contribution to provident and other funds	1,169,701	1,788,917
Gratuity expense (note 33)	677,608	1,065,649
Staff welfare expenses	3,484,257	3,291,597
Total	54,058,849	51,841,200

Note 25 FINANCIAL CHARGES

Interest expenses		
Interest on term loan	135,149	137,156
Bank charges & commission	1,772,487	2,580,032
Working capital loans	1,486,845	2,846,047
Other	20,772,646	12,126,100
Total	24,167,127	17,689,335

Note 26 DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation of tangible assets	7,258,777	7,153,786
Amortization of intangible assets	229,788	113,063
Total	7,488,565	7,266,849

Note 27 OTHER EXPENSES

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Manufacturing expenses		
Power and fuel	16,674,946	14,115,113
Labour Charges	2,833,141	8,953,235
Testing Charges	241,949	34,804
Water Charges	1,284,409	1,954,464
Excise duty *	410,778	908,877
Factory Expenses	1,367,441	864,476
<u>Repairs and maintenance</u>		
Plant and machinery	594,795	414,499
	23,407,459	27,245,468
Sales & Administration Expenses		
Rent, Rates and taxes	1,161,363	5,340,960
Advertisement	148,298	164,407
Travelling and conveyance	17,998,591	32,551,942
Communication costs	3,180,932	3,322,721
Business Promotion	793,762	571,029
Printing and stationery	1,135,956	1,203,185
Electricity Expenses (Office)	428,658	520,887
Fees And Subscription	513,699	140,455
Freight Out Ward	-	272,223
Postage & Telegram	481,324	443,513
Repair and Maintenance of Staff Quarter	92,549	124,647
Computer Expenses	327,756	362,400
Loading & Unloading charges	1,795,827	3,010,028
Exchange gain loss (net)	3,877,746	2,125,134
Tender Fees	452,265	313,355
Legal and professional fees	870,648	882,949
Books and Periodicals	85,731	8,990
Insurance	742,403	717,481
Inspection Charges	338,471	1,045,183
Office and Administrative	3,302,441	2,664,438
Vehicle Expenses	3,630,838	3,254,927
Security Charges	651,591	749,285
Payment to auditor	200,000	200,000
Discount & Rebate	2,112,228	-
Total	67,730,536	87,235,606
Payment to Auditor		
As auditor:	200,000	200,000
Audit fee	200,000	200,000

Note 28 EARNINGS PER SHARES

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Profit after tax (Before prior period item) (₹)	4,847,130	7,467,317
Weighted average number of shares outstanding during the year	5,390,300	5,390,300
Face value per share (₹)	10	10
Basic & Diluted earnings per share (₹)	0.90	1.39

Note 29 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Note - 31 Segment information
i) Primary (Business) Segment

In accordance with the requirements of Accounting Standard 17 "Segment Reporting" issued by the ICAI, the Company's business consist of one reportable segment i.e. Seat & Bearth, Recorn Densified Thermal Bonded Blocks, Recorn Wadding, Comperg, Foldable Mattress hence no separate disclosures pertaining to attributable Revenues, Profits, Assets, Liabilities, Capital Employed are given.

ii) Secondary (Geographical) Segment

Secondary segment reporting is performed on the basis of geographical location of the Customers. The operation of the Company comprises domestic sales and export sales. The export sale consideration is not materialized hence no separate disclosure pertaining to attributable Revenues, Profits, Assets, Liabilities, Capital Employed are given.

Note 32- Related Party Disclosures
(a) Names of related parties and nature of relationship:
i) Names of related parties where control exists irrespective of whether transactions have occurred or not

M/s. V. K. Mithiborwala & Co. Pvt. Ltd
M/s. Industrial Laminates (I) Pvt. Ltd.
M/s. Gen Wood Products Pvt Ltd.
M/s. Exim Trade Links (I) Pvt Ltd.
M/s. Vision Housing & Infrastructure Co Pvt Ltd.
M/s. Oriental Technocraft Pvt Ltd.

ii) Key Management Personnel

Mr. Karim N. Mithiborwala
Mr. Saleh N. Mithiborwala

iii) Enterprises owned or significantly influenced by key management personnel or their relatives

M/s. V. K. Mithiborwala & Co. Pvt. Ltd
M/s. Industrial Laminates (I) Pvt. Ltd.
M/s. Gen Wood Products Pvt Ltd.
M/s. Exim Trade Links (I) Pvt Ltd.
M/s. Vision Housing & Infrastructure Co Pvt Ltd.
M/s. Oriental Technocraft Pvt Ltd.

(b) Transactions / Balances	Key Management Personnel		Enterprises significantly influenced by key management personnel or their relatives	
	31st March 2014	31st March 2013	31st March 2014	31st March 2013
	₹	₹	₹	₹
Sales of Material				
M/s. Oriental Technocraft Pvt Ltd.	-	-	107,139,593	58,605,719
Purchase of Material				
M/s. Oriental Technocraft Pvt Ltd.	-	-	160,862,728	128,752,230
M/s. Industrial Laminates (I) Pvt. Ltd.	-	-	533,615	473,582
Director Remuneration				
Mr. Saleh N Mithiborwala	500,000	3,000,000	-	-
Mr. Karim N. Mithiborwala	450,000	2,700,000	-	-

ORIENTAL VENEER PRODUCTS LIMITED

Rent Paid				
M/s. V. K. Mithiborwala & Co. Pvt. Ltd	-	-	54,000	54,000
Electricity Paid				
M/s. V. K. Mithiborwala & Co. Pvt. Ltd	-	-	252,000	252,000
(b) Transactions / Balances				
Loans (taken)				
M/s. Exim Trade Links (I) Pvt Ltd.	-	-	-	550,000
Loan Repayments				
M/s. Vision Housing & Infrastructure Co Pvt Ltd.	-	-	57,508,521	5,000,000
M/s. Exim Trade Links (I) Pvt Ltd.	-	-	743,556	2,055,000
Advance Received				
M/s. V. K. Mithiborwala & Co. Pvt. Ltd	-	-	300,000	2,100,000
M/s. Industrial Laminates (I) Pvt. Ltd.	-	-	7,096,772	108,107,729
M/s. Gen Wood Products Pvt Ltd.	-	-	6,935,000	7,023,736
Advance Given				
M/s. V. K. Mithiborwala & Co. Pvt. Ltd	-	-	455,877	6,100,000
M/s. Industrial Laminates (I) Pvt. Ltd.	-	-	7,096,772	100,118,525
M/s. Gen Wood Products Pvt Ltd.	-	-	8,613,736	14,320,736
Interest paid				
M/s. Vision Housing & Infrastructure Co Pvt Ltd.	-	-	7,622,939	6,791,918
M/s. Exim Trade Links (I) Pvt Ltd.	-	-	4,882,036	4,121,545
Balance outstanding as at the year end				
Amount Payable				
M/s. Oriental Technocraft Pvt Ltd.	-	-	332,711	-
M/s. V. K. Mithiborwala & Co. Pvt. Ltd	-	-	26,206,000	26,055,877
M/s. Exim Trade Links (I) Pvt Ltd.	-	-	58,043,832	54,393,556
M/s. Gen Wood Products Pvt Ltd.	-	-	4,750,000	6,428,736
M/s. Vision Housing & Infrastructure Co Pvt Ltd.	-	-	36,860,645	87,508,521

Note - 33 Gratuity

The company operates one-defined plans, viz., gratuity Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The Company has charged the gratuity provision of ₹ 677,606/- in the profit and loss accounts in the year ended 31st March, 2014 (previous year, ₹ 10.65 lacs). The gross obligation toward the gratuity at the end of the year on discountinuanace is ₹ 60.49 Lacs (previous year, ₹ 47.83 Lacs). The Company has not funded the gratuity obligation against any plan assets.

The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

Gratuity	
Retirement Age	60 Years
Withdrawal Rates	2.00 % P.A.
Future Salary Rise	5.00% P.A.
Rate of Discounting	8.25% P.A.
Mortality Table	LIC (2006-08)

The estimates of future salary increases, considered in actuarial valuation, taking into consideration the general trend in salary rise and inflation rate.

Note 34 VALUE OF IMPORTS CALCULATED ON CIF BASIS

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Stock in Trade	24,664,294	141,574,303
Raw Material & Consumables	3,173,899	1,304,884
Total	27,838,193	142,879,187

Note 35 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Travelling Expenses	1,378,657	2,650,986
Total	1,378,657	2,650,986

Note 36 IMPORTED AND INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED

	31st March 2014		31st March 2013	
	% of total consumption	₹	% of total consumption	₹
Imported	5.80%	24,664,294	0.38%	1,304,884
Indigenous	94.20%	400,342,175	99.62%	338,863,825
Total	100.00%	425,006,469	100.00%	340,168,709

Note 37 EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	As At 31.03.2014	As At 31.03.2013
	₹	₹
Revenue from Exports on FOB Basis	21,870	4,336,059
Total	21,870	4,336,059

Note 38- Diminution in the Value of Investment

As at 31st March 2014, There is diminution in the value of the Company's quoted (Suspended) investment, Nageshwar Investment Ltd, considering the market, as share of the company are suspended to be traded on all stock exchanges from 30-nov-2005 till further order by SEBI, Competent Authority. However no provision has been made in the accounts for such fall, as the investment is in the nature of a long term strategic investment and as per the management, the diminution in the value is on account of temporary factors.

- b) Out of the total debtors of ₹ 14,01,72,448/- As at March 31, 2014, ₹ 10,74,47,835/- has been received subsequent to the year end. For the balance of ₹ 3,27,24,613/- the management is in discussion with these debtors to expedite the recoverability of the above aforesaid outstanding amounts and believes that the entire amount is fully recoverable. In view of the forgoing, no provision is considered necessary in these financial statements in this regard.

Note 39 CONTINGENT LIABILITIES

Disputed Liabilities not provided for		
Central Excise	1,427,168	1,427,168
Income Tax	18,135,000	19,135,000

Letter of Credit outstanding with Saraswat Co-Operative Bank Ltd. at the end of the year for ₹ 8,19,91,000 (Previous year ₹ 5,78,67,000) and Bank Gurantee of ₹. 1,03,54,207 (Previous Year ₹ "62,67,345").

Note 40 Derivative instrument

Foreign currency exposures are not hedged by derivative instrument.

Note 41 Previous Year Figures

Previous Year Figures has been recast/restated.

As per our report of even date
For Anil Bansal & Associates

Chartered Accountants

FRN : 100421W

Anil Bansal

Proprietor

Membership No. 043918

For NBS & Co.

Chartered Accountants

FRN : 110100W

Pradeep. J. Shetty

Partner

Membership No. 46940

For and on behalf of the Board of

ORIENTAL VENEER PRODUCTS LTD.

Saleh N. Mithiborwala

Whole Time Director

Karim N. Mithiborwala

Managing Director

Place : Mumbai

Date : 28th November 2014

ORIENTAL VENEER PRODUCTS LIMITED

CIN : L02005MH1991PLC060686

Regd. Office : Village Aghai, Via Kalyan Railway Station, Thane – 421 301

Email : compliance.ovpl@gmail.com ; Website : www.ovpl.co.in

Form No. MGT – 11, PROXY FORM / BALLOT FORM

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

Name of the Member _____

Registered Address _____

Folio No. / DP/Client ID _____

I/We being the members of _____ Shares of Oriental Veneer Products Ltd., hereby appoint -

1. _____ having email Id _____ Signature _____ or failing him
2. _____ having email Id _____ Signature _____ or failing him
3. _____ having email Id _____ Signature _____

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Tuesday, 30th December 2014 at 9.30 AM at Village Aghai, Via Kalyan Railway Station, Thane -421 301 and at any adjournment thereof in respect of such resolution(s) as are indicated below :

Ordinary Business :		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2014		
2.	Re-appointment of Mr. Saleh N Mithiborwala, Director, who retires by rotation, eligible for re-appointment		
3.	Appointment of M/s. Anil Bansal & Associates & M/s. NBS & Co., Chartered Accountants, Mumbai as joint Statutory Auditors of the Comp- any and to fix their remuneration.		
Special Business :			
4.	Appointment of Mr. Khalid A. Dabikar as Independent Director for a term of 5 Years.		
5.	Appointment of Mr. Mustufa S. Pardawala as Independent Director for a term of 5 Years.		
6.	Appointment of Mr. Saleh N. Mithiborwala as Whole-time Director designated & Chief Financial Officer of the Company		
7.	Appointment of Mr. Karim N. Mithiborwala as Managing Director of the Company		
8.	Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013		
9.	Special Resolution for granting of powers to create charge on Company's Properties under section 180(1) (a) of the Companies Act, 2013		
10.	Special Resolution for Granting of Powers to make loans or investments and to give guarantees or to provide security under section 186 of the Companies Act, 2013		

Signed this _____ day of _____ 2014

Sign. of Shareholder _____ Sign. of Proxy _____

Affix
Revenue
Stamp
₹ 1/-

ORIENTAL VENEER PRODUCTS LIMITED

CIN : L02005MH1991PLC060686

Regd. Office : Village Aghai, Via Kalyan Railway Station, Thane – 421 301

Email : compliance.ovpl@gmail.com ; Website : www.ovpl.co.in

ATTENDANCE SLIP

Registered Folio No. /DP ID/Client ID _____

Name & Address of Share Holder _____

I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company at Village Aghai, Via Kalyan Railway Station, Thane -421 301 on Tuesday, 30th December 2014 at 9.30 AM.

Members' Folio/DPID/Client ID _____

Member/Proxy's Name in Block Letters _____

Member/Proxy's Signature _____

Please complete the Folio/DP ID/Client ID and Name, sign this Attendance Slip and hand it over at the Attendance verification counter at the Entrance of the Meeting Place.

BOOK-POST

If undelivered, please return to:

ORIENTAL VENEER PRODUCTS LIMITED

Village Aghai, Via Kalyan Railway Station, Thane – 421 301

FORM-A

Format for covering letter for the Annual Report to be filed with the Stock Exchange

(Pursuant to clause 31(a) of the listing agreement)

Sr.No.	Particulars	Details
1.	Name of the Company	Oriental Veneer Products Limited
2.	Annual Financial Statements for the year ended	31 st March 2014
3.	Type of Audit Observation	No Qualification of matter of emphasis has been included in the Audit Report
4.	Frequency of Observation	Not Applicable in view of Comments in (3) above
5.	To be Signed By:	
	• Managing Director	<i>Karim N. Mithiborwala</i> Karim N Mithiborwala
	• President & Chief Financial Officer	<i>Saleh</i> Saleh N Mithiborwala
	• Audit Committee Chairman	<i>Mustufa S Pardawala</i> Mustufa S Pardawala
	• Auditors of the Company	Refer our Audit Report dated May 30, 2014 On the Financial Statements of the Company For Anil Bansal & Associates. Chartered Accountant FRN-100421W <i>Anil Bansal</i> Anil Bansal Proprietor Membership no. 043918 For NBS & Co. Chartered Accountant FRN-110100W <i>Pradeep J Shetty</i> Pradeep J Shetty Partner Membership no. 46940 Place : Mumbai Date : May 30, 2014

For ORIENTAL VENEER PRODUCTS LTD.

Karim N. Mithiborwala
Director

