

FORM A

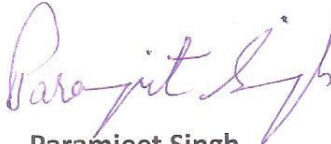
Covering letter of the annual audited report to be filed with the stock exchange

1.	Name of the company	Oswal Overseas Limited
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Types of Audit observation	Un-qualified
4.	Frequency of observation	-----

For Oswal Overseas Limited



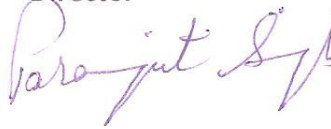
Aijaz Ahmad
Head of Department (A & F)



Paramjeet Singh
Director



Hari Har Nath Sharma
Chairman of Audit Committee



For Kansal Singla & Associates
Chartered Accountants



KANSAL
(CA S K Anora)

Partner

M. no. ~~070405~~ 080632

FRN: 003897N

OSWAL OVERSEAS LIMITED

2013-2014

30th ANNUAL REPORT

CERTIFIED TRUE COPY



For Oswal Overseas Ltd.

Lalit
Company Secretary

OSWAL OVERSEAS LIMITED

2013-2014

30th ANNUAL REPORT

OSWAL OVERSEAS LIMITED

BOARD OF DIRECTORS

- | | |
|----------------------------|-------------------------|
| 1. Sh. Manjeet Singh | Managing Director & CEO |
| 2. Sh. Paramjeet Singh | Director |
| 3. Sh. Harihar Nath Sharma | Director |
| 4. Ms. Anjul Agarwal | Director |

COMPANY SECRETARY

Mr. Bagga Singh

AUDITORS

KANSAL SINGLA & ASSOCIATES
Chartered Accountants,
SCO-80-81, Sector-17C,
Chandigarh-160017

BANKERS

State Bank of India
Nawab Ganj, Bareilly (U.P)

REGISTERED OFFICE

72, Ground Floor,
Taimoor Nagar,
Opp. New Friends Colony,
New Delhi-110065

WORKS

Village : Aurangabad
Tehsil : Nawab Ganj
Dist.: Bareilly- 243406 (U.P)

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Proxy Form & Attendance Slip

OSWAL OVERSEAS LIMITED
REGD. OFFICE: 72, GROUND FLOOR, TAIMOOR NAGAR,
NEW DELHI-110065

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of the Company will be held as scheduled below:

Day : Monday
Date : 29th September, 2014
Time : 12.30 P.M.
Place : 72, Ground Floor,
Taimoor Nagar,
New Delhi- 110065

To transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint in place of Sh. Paramjeet Singh (holding DIN 00313352) who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditors-
To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, M/s Kansal Singla & Associates, Chandigarh (ICAI Firm Regn. No. 3897N), Chartered Accountants, be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty-third AGM of the Company to be held in the year 2017 subject to ratification of their appointment at every AGM, at such remuneration plus service tax, out-of-pocket, traveling and living expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. To Consider and if, thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT Mr. Harihar Nath Sharma (Holding DIN-03645708), who was appointed as an Additional Director of the Company on 31st March, 2014 under Article of Association of the Company and who by virtue of Section 161 of the Companies Act, 2013, holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.”

5. To Consider and if, thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT Ms. Anjul Agarwal (Holding DIN-06897907), who was appointed as an Additional Director of the Company on 31st March, 2014 under Article of Association of the Company and who by virtue of Section 161 of the Companies Act, 2013, holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.”

6. To Consider and if, thought fit, to pass with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to approval of the Central Government, if necessary, and subject to all such approval as may be required, the approval of the members be and is hereby accorded to the reappointment of Shri Manjeet Singh (DIN-00313196) as Managing Director of the Company for a further period of one year with effect from 12th Day of August, 2014 on terms and conditions as set out in the explanatory statement annexed hereto or any modification thereof and as may be agreed to by and between the Board and Shri Manjeet Singh.

Further resolved that the Board be and is hererby authorized to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to the resolution.”

**By the Order of the Board of Directors of
OSWAL OVERSEAS LTD.**

**Sd/-
Manjeet Singh
Managing Director**

**Place: New Delhi
Dated: 05/09/2014**

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HERSELF. SUCH PROXY NEEDS NOT TO BE A MEMBER OF THE COMPANY. PROXY SHALL NOT HAVE THE RIGHT TO SPEAK AT THE MEETING AND SHALL NOT BE ENTITLED TO VOTE EXCEPT ON POLL.**
2. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 wherever applicable is attached and forms part of this Notice.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2014 to 29th September, 2014 (both days inclusive).
5. Members are requested to quote folio number in all correspondence with the Company. Members\Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting.
6. BEETAL Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi - 110 062 is the Registrar and Share Transfer Agents for physical/demat shares of the Company. Documents relating to shares will be accepted at the above mentioned address or at the Registered Office of the Company.
7. Members desirous of obtaining any information/clarification(s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of the meeting to Company Secretary at the Registered Office of the Company, so that the same may be attended to appropriately.
8. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days between 10.00 a.m. to 5.00 p.m. prior to the Annual General Meeting.

9. In terms of Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, nomination facility is available to individual shareholders. Members holding shares in physical forms may nominate a person in respect of all the shares held them whether singly or jointly. Members who hold shares singly are advised to avail of the nomination facility by filing Form No. SH-13 in their own interest. Blank Forms can be obtained from the Company on request. The shareholders who are desirous of availing this facility may kindly write to the Company Secretary at the Registered Office of the Company.
10. Members are requested:
 - (i) to bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting. No brief case or bag will be allowed to be taken inside the meeting hall for security reasons.
 - (ii) to quote their Folio/Identification Nos. in all correspondence.
 - (iii) to notify immediately for change of their address and bank particulars to the Company or its Share Transfer Agents, in case shares are held in physical form.
 - (iv) to note that no gift will be distributed at the meeting.
11. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as per provisions of Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote by electronic means, as an alternative to vote physically at the Annual General Meeting (AGM), and the business may be transacted through e-voting services provided by CDSL. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
12. The Company has appointed Ms. Sweeny Gulati, Practicing Company Secretary as the Scrutinizer to count the votes casted in favour or against the resolutions proposed from item no. 1 to 6 of the Notice for point no. 11 as mentioned herein above and to comply with the provisions of Section 108 of the Companies act, 2013. She will submit his report on 27th September, 2014 to the Chairman of the Company and in turn the Chairman will announce the same on the date of Annual General Meeting.

13. For members receiving e-mail on their registered email ids from CDSL:
- a. Open the attached PDF file “e-Voting.pdf” giving your client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contain your “User ID” and “Password for e-voting”. Please note that the password is an initial password.
 - b. Launch internet browser by typing the URL : **<https://www.evotingindia.com/evoteframe.jsp>**
 - c. Click on “Shareholder-Login”.
 - d. Put User ID and password as initial password noted in step (1) above and click Login.
 - e. Password change menu appears. Change the password with the new password of your choice with minimum 8 digits/characters or combination thereof.
 - f. Home page of “e-voting” opens. Click on e-Voting: Active Voting Cycles.
 - g. Select “EVSN” of OSWAL OVERSEAS LIMITED.
 - h. Members can cast their vote online from 09:00 a.m. of 23rd September, 2014 upto 06:00 p.m. of 25th September, 2014. E-Voting shall not be allowed beyond 06:00 p.m. of 25th September, 2014. During the e-Voting period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the record date may cast their vote electronically. The record date for the purpose of e-Voting is 28th August, 2014.
 - i. Now you are ready for “e-Voting” as “Cast Vote” page opens.
 - j. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted. Kindly note that vote once casted cannot be modified.
 - k. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the scrutinizer through e-mail: **consultpcs@gmail.com** with a copy marked to **companysecretary@oswaloverseasltd.com**.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

That following explanatory statement sets out the material facts referring to Item no. 4 to 6 of the Notice.

Item no. 4.

Shri Harihar Nath Sharma was appointed as an Additional Director (Independent) of the Company with effect from 31st March, 2014. He is Chairman of the Audit Committee and member of the Nomination and remuneration committee and Stakeholders relationship committee of the Board of Directors of the Company. Pursuant to section 161 of the Companies Act, 2013, Shri Harihar Nath Sharma will hold office as director upto the date of forthcoming Annual General Meeting. A notice has been received from a member proposing Shri Harihar Nath Sharma as a candidate for the office of Director of the Company at the forthcoming Annual General Meeting.

Shri Harihar Nath Sharma, who was born on 01.05.1956 is a very senior and experienced personality in the field of sugar industry. He is holding directorship of two other companies also. As at the end of financial year he is not having any shares in the Company. The Board considers that the Company would be benefited by his rich experience and guidance. Pursuant to Section 149 of the Companies Act, 2013, Shri Harihar Nath Sharma shall hold office of Director for five consecutive years for a term upto 31st March, 2019.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company or any relative thereof are in any way, concerned or interested, financially or otherwise, in the resolution. The Board of Directors, therefore, recommends the resolution for approval of the members.

Item no. 5.

Ms. Anjul Agarwal was appointed as an Additional Director (Independent) of the Company with effect from 31st March, 2014. She is Chairperson of the Nomination and remuneration committee and Stakeholders relationship committee and member of the Audit Committee of the Board of Directors of the Company. Pursuant to section 161 of the Companies Act, 2013, Ms. Anjul Agarwal will hold office as director upto the date of forthcoming Annual General Meeting. A notice has been received from a member proposing Ms. Anjul Agarwal as a candidate for the office of Director of the Company at the forthcoming Annual General Meeting.

Ms. Anjul Agarwal, who was born on 30.07.1983, is a member of the Institute of Company Secretaries of India and having expert knowledge in legal and finance. She is not holding directorship in any other company. As at the end of financial year she is not having any shares in the Company. The Board considers that the

Company would be benefited by her rich experience and guidance. Pursuant to Section 149 of the Companies Act, 2013, Ms. Anjul Agarwal shall hold office of Director for five consecutive years for a term upto 31st March, 2019.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company or any relative thereof are in any way, concerned or interested, financially or otherwise, in the resolution. The Board of Directors, therefore, recommends the resolution for approval of the members.

Item no. 6.

The Board of Directors at its meeting held on 5th August, 2014 have, pursuant to the recommendation of Nomination and Remuneration Committee approved the reappointment of Shri Manjeet Singh as Managing Director of the Company for a further period of one year with effect from 12th August, 2014 on the same term and condition. A special resolution has to be passed at the forthcoming Annual General Meeting of the Company for approval of his reappointment. Terms and Conditions are as follows:

1. **Period of Appointment:** One Year with effect from 12/08/2014
2. **Remuneration :** In terms of Schedule V of the Companies Act, 2013 read together with Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Managing Director shall be paid the following remuneration:
 - (i) **Salary:** Nil
 - (ii) **Perquisites:** In addition to above, the Managing Directors shall be entitled to the following perquisites with an option to the Managing Director to receive the perquisites in any lawful combination as mutually agreed between him and the Board.
 - a. Reimbursement of Medical Expenses incurred for self and his family in accordance with the rules specified by the Company.
 - b. Leave Travel Assistance for self and his family once in a year incurred in accordance with the rules specified by the Company.
 - c. Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.
 - d. Personal accident insurance, group coverage for self/family as may be fixed by the Board from time to time.

Provision of Company's car for the use of Company's business and telephone at residence will not be considered as perquisites.

- (iii) **Commission:** Nil
- (iv) **Remuneration in the event of loss etc.:**

Notwithstanding anything contained herein, in the event of any loss. Absence or inadequacy of profit in any financial year, during the terms of office of the Managing Director, the remuneration by way of salary, perquisites, commissions and other benefits shall not, without the permission of Central Government (if

required) exceed the limits prescribed under the Act including Schedule V thereof and rules made hereunder or any amendment, modification, variation or re-enactment thereof.

Except Shri Paramjeet Singh, who is brother of Sh. Manjeet Singh, none of the other Director/Key Managerial Personnel of the Company or any relative thereof are in any way, concerned or interested, financially or otherwise, in the resolution. The Board of Directors, therefore, recommends the resolution for approval of the members.

**By the Order of the Board of Directors of
OSWAL OVERSEAS LTD.**

**Sd/-
Manjeet Singh
Managing Director**

**Place: New Delhi
Dated: 05/09/2014**

OSWAL OVERSEAS LIMITED

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 30th Annual Report, together with the Audited Accounts of your Company for the year ended 31st March, 2014.

1. FINANCIAL RESULTS

(Figs in Lacs)

Particulars	2013-2014	2012-2013
Sales and other Income	3209.91	8387.89
Increase/Decrease in WIP and Finished Goods	1209.19	1785.43
Profit/Loss before Depreciation, Interest and Taxes	(415.69)	51.51
Financial Charges	237.37	249.76
Depreciation	364.59	365.56
Profit before tax	(1017.65)	(563.81)
Provision for Tax		
Provision_ – Deferred Tax Assets/(Liability)	-	15.89
Wealth Tax Previous year taxes	-	-
MAT Credit of CY & PY	-	-
Profit/Loss after Tax	(1017.65)	(548.06)
Carried Forward Losses	Nil	Nil
Surplus carried to Balance Sheet/ Loss carried forward to B/S	(1017.65)	(548.06)
Dividend	Nil	Nil

2. OPERATIONAL PERFORMANCE:

Particulars	2013-2014	2012-2013
Sugar Division		
Start of crushing season	15/12/2013	17/12/2012
Close of crushing season	19/03/2014	13/04/2013
Duration(Days)	95	118
Recovery(%)	8.45	9.24
Cane crushed (Lakh Qtls)	631196	1916203
Production (Qtls)		
White Sugar (Qtls)	53363	177117
BISS Sugar (Qtls)	2575	1800
Molasses (Qtls)	58929	97005
Furnace Division		
Production (Tonnes)- MS Ingots	Nil	Nil

3. OPERATIONS:

Total Income of the Company has decreased from 8387.89 Lac (12-13) to Rs. 3209.91 Lac (13-14). The Net Loss in the current year was Rs. 1017.65 Lac as against Net Loss Rs. 548.06 Lac of the previous year.

4. DIVIDEND:

Due to unavailability of profit of the Company, Your Board of Directors is not in position to recommend any dividend for the current Financial Year.

5. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted deposit from the public Under Section 58 A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975.

6. COST ACCOUNTING RECORDS:

Compulsory maintenance of Cost Records under section 209 (1) (d) of the Companies Act, are being maintained & in due compliance of the same, a Certificate from M/s Vijay Kumar & Associates, Cost Accountants, New Delhi, dated 05/10/2013 has been obtained for our records.

7. EXPANSION/ DIVERSIFICATION PROJECTS:

Due to stringent scenario of the Sugar Industry, the Company's proposed plan to expand the capacity of Sugar Unit from 3500 TCD to 5500 TCD and setting-up a CO-Generation plant of 25 MW at the existing site, has been re-scheduled. Though the Management has taken concrete steps in the FY 2013-14 to expedite these projects by appointing IFCI as Advisor & Syndicator for arrangement of Funds from Sugar Development Fund and if required, Term Loan from other Banks/FIIs.

To meet the cost of up-coming projects, the Company has approached the SDF, Banks/FI and other Institutions for Term Loans and also to raise the money through other established mode of financing.

8. AUDITORS:

M/s Kansal Singla & Associates, Chartered Accountants, Chandigarh, Statutory Auditors of the Company who retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment have consented to continue in the office. They have confirmed that their appointment, if made will be in accordance with the limits specified in section 141(3)(g) of the Companies Act, 2013 for re-appointment.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

As required Under Section 214 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure) of Particulars in the Report of Board of Directors Rules, 1988, the information relating to conservation of energy, technology absorption and foreign exchange and outgo in annexed and forms of the Report.

10. DIRECTORS:

Retirement by Rotation:

In accordance with the requirement of the Companies Act and the Articles of Association of the Company, Sh. Paramjeet Singh is liable to retire by rotation, at the conclusion of the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Your Directors recommend his re-appointment at the ensuing Annual General Meeting.

11. PARTICULARS OF THE EMPLOYEES:

None of the employees is covered under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

12. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed that

- i. In the preparation of the annual accounts the applicable accounting standards have been followed.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st 2014, and of the Profit of the Company for the year end on that date.
- iii. That 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
- iv. The directors have prepared the annual accounts of the Company on a going concern basis.

13. CORPORATE GOVERNANCE:

The Company has been fully compliant with Clause 49 and other applicable provisions of the Listing Agreement with the stock exchanges relating to the Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the Auditors of the Company regarding

compliances of conditions of Corporate Governance as stipulated under Corporate Governance clause of the Listing Agreement is annexed to the report on Corporate Governance.

14. ACKNOWLEDGEMENT:

The Directors wish to convey their appreciation to all the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors also wish to thanks to various Govt. agencies, Bankers, consultants and all other business associates.

**For and on behalf of the Board of Directors of
OSWAL OVERSEAS LTD.**

**Sd/-
Paramjeet Singh
(Chairman)**

**Place: New Delhi
Dated: 28/05/2014**

DIN: 00313352

OSWAL OVERSEAS LIMITED

ANNEXURE TO THE DIRECTOR'S REPORT FOR THE PERIOD 2013-2014

INFORMATION AS PER SECTION 217 (1) (E) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS RULES, 1999) AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2014.

CONSERVATION OF ENERGY:

The Company has already installed most modern equipments to save and minimize energy consumption. The Company is having three turbo alternative sets of 3 MW each. The entire requirement of power is met through captive generations. The Company has also made stand by arrangement of two Diesel Generating Sets.

To achieve maximum conservation of energy, the Company has put up high pressure boilers and matching turbo alternatives and prime movers. The Company is also having electrical motors of appropriate size, continuous centrifugals and batch type centrifugals.

A. ELECTRICITY	Current year 2013-2014	Previous Year 2012-2013
a) <u>Units Purchased</u>	145406	101089
Total Amount (Rs.)	1479980	1135616
Rate per Unit (Rs.)	10.18	11.23
b) <u>Own Generation</u>		
i) Trough Diesel Generator Units	106388	89459
Units Per Litre of diesel oil (Rs.)	2.65	2.24
Cost per Unit (Rs.)	21.73	20.92
ii) Through Turbine (Units)	2069497	7121975
B. CONSUMPTION PER UNIT OF PRODUCT		
i. Electricity (KW / MT)	43.50	41.90
ii. Bagasse (MT / MT)	Own bagasse used and cost not ascertained	Own bagasse used and cost not ascertained

TECHNOLOGY ABSORPTION:

a) Research & Development i) In house research & development has been carried out further for improvement in quality of sugar cane and to increase the area under the sugarcane crop of better quality which will ensure its greater availability resulting into more production and better recovery and higher yield thereby directly reducing the cost of production. ii) In house research & development has been carried out further for improvement in quality of sugar cane and to increase the area under the sugarcane crop of better quality which will ensure its greater availability resulting into more production and better recovery and higher yield thereby directly reducing the cost of production. iii) The Company is further planning to improve quality of cane & ensure development of cane by providing better cane seed and other various facilities to cane Growers. iv) Amount incurred on Research & Development	NIL
b) Technology absorption, adoption and Innovation: i) Latest technology has been adopted in the plant to maximize consumption of energy. ii) Technology Imported	NIL NIL

FOREIGN EXCHANGE EARNING & OUTGO:

i) Foreign Exchange Earnings (Rs. In Lacs)	NIL
ii) Foreign Exchange Outgo (Rs. In Lacs)	NIL

**For and on behalf of the Board of Directors
OSWAL OVERSEAS LIMITED**

**Sd/-
Paramjeet Singh
(Chairman)**

**Place: New Delhi
Dated: 28/05/2014**

DIN: 00313352

OSWAL OVERSEAS LIMITED

(Sugar Division)

Village Aurangabad, The. Nawabganj, P.O.-Grem, Distt. Bareilly (U.P) 243407

Phone : 05825-22651 (M) 09997300551-52, Fax:05825-226753

The Board of Directors,
Oswal Overseas Limited,
72, Ground Floor, Taimoor Nagar,
New Delhi-110065

Re.: Financial Statement for the year ended 31st March 2014 Certificate by CEO

I, Manjeet Singh, CEO of Oswal Overseas Limited, on the basis of the review of the financial statements and cash flow statement for the year ended 31st March 2014 and to the best of my knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statements or omits any material fact or contain statements that might be misleading.
2. 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.
3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2014 which, are fraudulent, illegal or in violation of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have disclosed to the Auditors' and the Audit Committee those deficiencies in the design or operations of such internal controls of which, I am aware and the steps taken to rectify these deficiencies.
5. I have indicated to the Auditors and the Audit Committee:
 - a) There have been no significant changes in the internal control over financial reporting during this year.
 - b) There have been no significant changes in the accounting policies during the year.
 - c) There have been no instance of significant fraud of which I have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Place: New Delhi
Dated:

Sd/-
Manjeet Singh
CEO



KANSAL SINGLA & ASSOCIATES
CHARTERED ACCOUNTANTS
(SINCE 1983)

SCO 80-81, 4th Floor
Sector 17-C, CHANDIGARH -160017
Ph. : 0172-5078401-02
Fax : 0172-5072903
Web site : www.cakansalsingla.com

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Oswal Overseas Limited

We have examined the compliance of conditions of Corporate Governance by Oswal Overseas Limited for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.


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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month with the Company.

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

For Kansal Singla & Associates,
Chartered Accountants


(S.K. KANSAL)
PARTNER
M. No. 080632



Place: Chandigarh
Date:

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes that transparency, empowerment, accountability and integrity are the fundamental principles of sound Corporate Governance. The cardinal principles such as accountability, independence, trust, responsibility, transparency and timely disclosures etc. serve as a means of implementing, the philosophy of Corporate Governance.

Implementation Modules:

- (i) The accountability of the Board of Directors to the Company and its stakeholders.
- (ii) Strategic guidance and effective monitoring by the Board of Directors.
- (iii) Timely and accurate Disclosures of relevant information.
- (iv) Compliance of the conditions of Corporate Governance & its full disclosures.

2. BOARD OF DIRECTORS OF THE COMPANY:

The Company's policy is to maintain optimum combination of executive and non-executive Directors. The Board of Directors comprises 4 Directors as on March 31st, 2014 out of which 2 are independent and non-executive Directors which is in due compliance of Clause 49 of the Listing Agreement. On March, 31, 2014 Mr. Harihar Nath Sharma (Chairman) and Ms. Anjul Agarwal were appointed on the Board as independent directors in place of Sh. Preveen Kumar Varshney and Sh. Satnam Singh Arora, who have resigned with effect from 24.03.2014 and 31.03.2014 respectively.

During the financial year 2013-14, eleven meetings of the Board of Directors were held on 26/04/2013, 30/05/2013, 28/08/2013, 05/10/2013, 11/10/2013, 05/11/2013, 14/11/2013, 20/12/2013, 06/02/2013, 13/02/2013 and 31/03/2013.

Details of attendance of Directors at Board Meetings and at the last Annual General Meeting, Directorship in other Companies, Committee position held by them and their categories are given below:

Name & Designation of the Directors	Category/ Position	Last Annual General Meeting attendance	Relationship among the Directors	No. of other Directorships(excluding foreign Companies & Pvt. Ltd. Companies)	Committee (including Oswal Overseas Ltd.)	Positions held
Sh.	Non-	No	Brother of Sh.	1	-	3

Paramjeet Singh	executive/Non-Independent		Manjeet Singh			
Sh. Manjeet Singh	Executive/Non-Independent	Yes	Brother of Sh. Paramjeet Singh	2	-	3
Sh. Harihar Nath Sharma	Non-Executive/Independent	No	-	-	1	2
Ms. Anjul Agarwal	Non-Executive/Independent	No	-	-	2	1

Notes:

1. Other Directorship of only Indian Public Limited Companies have been considered pursuant to Clause 49 of the Listing Agreement.
2. Committee positions of only 3 committees namely Audit Committee, Investors'/ Shareholders Grievance Committee and Remuneration Committee have been considered pursuant to Clause 49 of the Listing Agreement.
3. Number of Shares held by non- executive Directors is tabulated below:

Sr. No.	Name of Non- Executive Directors	No. of Shares held
1.	Sh. Preveen Kumar Varshney	-
2.	Sh. Satnam Singh Arora	-
3.	Sh. Paramjeet Singh	1808710

3. BOARD COMMITTEES

The Board of Directors has constituted Three Board Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of reference/role of the Committees are taken by the Board of Directors. Details of these Committees, including the number of meetings held during the financial year and attendance at meetings are provided below:

Audit Committee:

As on March, 31, 2014 the Audit Committee comprises of two independent Directors, viz. Mr. Harihar Nath Sharma-(Chairman) and Ms. Anjul Agarwal as member. Both were appointed on the Board as independent directors in place of Sh. Preveen Kumar Varshney and Sh. Satnam Singh Arora, who have resigned with effect from 24.03.2014 and 31.03.2014 respectively. All the members of the Audit Committee possess accounting and

financial management knowledge. Mr. Bagga Singh, Company Secretary of the Company is the Secretary to this Committee.

The Audit Committee met five times during the year on 30.05.2013, 05/09/2013, 11/10/2013, 14.11.2013 and 13.02.2014. The maximum time gap between any two consecutive meetings did not exceed four months. The minutes of the meetings of the Audit Committee are noted by the Board. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on October 30, 2013 to answer members' queries.

Attendance Record of Audit Committee during 2013-14:

S. No.	Name of the Director	Designation	Committee Meeting attended during the year (nos.)
1)	Sh. Preveen Kumar Varshney	Chairman	5
2)	Sh. Manjeet Singh	Member	3
3)	Sh. Satnam Singh Arora	Member	5

Nomination and Remuneration Committee (Formerly known as Remuneration Committee):

This Committee Comprises of three directors viz. Mr. Satnam Singh Arora-Chairman, Mr. Preveen Kumar Varshney and Mr. Manjeet Singh as members of the Committee. On 31.03.2014 Mr. Harihar Nath Sharma and Ms. Anjul Agarwal has been nominated as Chairman and member of the Committee respectively in place of Mr. Satnam Singh Arora and Mr. Preveen Kumar Varshney who has resigned from the Board.

Attendance Record of the Remuneration Committee:

S. No.	Name of the Director	Designation	Committee Meeting attended during the year(nos.)
1)	Sh. SatnamSingh Arora	Chairman	NIL
2)	Sh. Praveen Kumar Varshney	Member	NIL
3)	Sh. Manjeet Singh	Member	NIL

During the financial year 2013-14 no meeting of the Remuneration Committee was held.

Stakeholders Relationship Committee (Formerly known as Shareholders'/Investors' Grievance Committee:

The Shareholders' Grievance Committee comprises of Sh. Satnam Singh Arora as Chairman and Mr. Preveen Kumar Varshney as members. On 31.03.2014 Mr. Harihar Nath Sharma and Ms. Anjul Agarwal has been nominated as Chairman and member of the Committee respectively in place of Mr. Satnam Singh Arora and Mr. Preveen Kumar Varshney who has resigned from the Board. The Committee has been constituted to perform the functions as specified under clause 49 of the Listing agreement with the stock exchanges. During, the financial year 2013-14, no meeting of the Shareholders Grievance Committee was held.

No compliant was received by any member during the financial year.

The Company Secretary of the Company had been designated as the Compliance Officer pursuant to the provisions of the Clause 49 of the Listing agreement with the Stock Exchanges.

Following are the details of remuneration paid to the Executive & Non- Executive Directors:

No remuneration was paid to Executive & Non- Executive Directors for the year ended 31st March 2014.

4. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings are as follows:

Year	Venue	Date	Time
2011	K-185/1, Surya Plaza Bldg., Sarai Jullena, Opp. New Friends Colony, New Delhi-110025	25 th September 2011	12.30 p.m
2012	72, Ground Floor, Taimoor Nagar, Opp. New Friends Colony, New Delhi-110065	26 th October 2012	12.30 p.m
2013	72, Ground Floor, Taimoor Nagar, Opp. New Friends Colony, New Delhi-110065	30 th October 2013	12.30 p.m

Details of Special Resolution(s) passed in previous three Annual General Meetings:

Sr. No.	Year	U/S	Purpose
1.	2011	198,269	Appointment of Managing Director and Re-designation of director
2.	2012	NIL	NIL
3.	2013	NIL	NIL

5. DISCLOSURES:

1. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have the potential conflict with the interest of the Company at large:
NIL
2. Details of non-compliance by the Company, penalties, structure imposed by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years: Non-Compliances relating to Listing Agreement received during the year have been complied in due course.

6. MEANS OF COMMUNICATION:

The quarterly and annual results were published in leading newspapers which included **Financial Express and Hari Bhoomi**, New Delhi.

7. GENERAL SHAREHOLDERS INFORMATION:

30th Annual General Meeting:

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

B. Book Closure: 24th September, 2014 to 29th September, 2014

C. Dividend Payment Date:

As no dividend for the year 2013-14 was recommended by the Board of Directors, hence no disclosures for the same is required.

D. Listing on Stock Exchange and Stock Codes

The Company's equity shares are listed with Bombay Stock Exchange Ltd.(Code 531065), Delhi Stock Exchange Association Ltd.(Code 15025) and Ludhiana Stock Exchange Ltd. (Code OOVV). BSE & DSE have already given the Trading Approval. The Company has paid annual listing fee due to the above Stock Exchanges upto the Financial Year 2013-14.

E. Market Price Data and Performance in Comparison to Index:

The high & low of the share price of the Company during each month in the last financial year at Bombay Stock Exchange Ltd., Delhi Stock Exchange Asso. Ltd. And Ludhiana Stock Exchange Ltd is not available as the shares are not being actively traded (pertains to "T" segment) on those Stock Exchanges due to pendency of atleast 50% non- promoter shareholding, in dematerialization form as per Circular dated June 17, 2011

(CIR/ISD/3/2011). However the Company has already achieved 100% of Promoter's and Promoter group's shareholding in dematerialized form.

F. Registrar and Transfer Agent:

BEETAL Financial & Computer Services (P) Ltd.
 Beetal House, 3rd Floor, 99 Madangir,
 Behind Local Shopping Centre
 Near Dada Harsukh Das Mandir,
 New Delhi-110062
 Tel. 011-29961281, Fax. 011-29961284
 Website: www.Beetalfinancial.com

G. Share Transfer System:

Presently the share transfers which are received in physical form, if not disputed and accompanied with complete documents, are normally effected within a maximum period of 30 days from the date of receipt and demat requests are confirmed within a maximum period of 15 days. The company provides investor or depository services through its Registrar & Transfer Agent (RTA).

During the year, the Company had received the following references for the transfer & consolidation, however no request has been received for split-up and transmission.

1. Transfer of Shares:1
2. Consolidation of Shares:0

H. Distribution of Shareholding:

The Distribution of Shareholding as on March 31, 2014 was as follows:

No.of Shares held	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 5000	262	79.64	48200	0.74
5001-10000	22	6.69	20450	0.32
10001-20000	5	1.52	6050	0.09
20001-30000	2	0.61	5500	0.08
30001-40000	6	1.82	23750	0.37
40001-50000	0	0	0	0
50001-100000	3	0.91	23600	0.37
100001 and above	29	8.81	6333500	98.02
Total	329	100	6461050	100

Held by	No.of Shares	% holding
Promoters		
-Individual	4838950	74.89
-Private Corporate Bodies	0	0
Indian Public		
-Individual	1621300	25.10
-Private Corporate Bodies	800	0.01
Total	6461050	100.00

I. Dematerialization of Shares and Liquidity

The shares of the Company are available for trading in depository systems of both NSDL & CDSL with ISIN INE906K01019.

As on March 31, 2014, 75.2 % (48,59,750 equity shares) of the share capital of the Company had been dematerialized and 24.78%(16,01,300 equity shares) of the share capital of the Company had been digitalized.

J. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

The company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments, which has any likely impact on equity during the year.

K. Unclaimed Dividends:

Since the Company had not declared dividend in the preceding years due to accumulated losses & its adjustment in the current year, no unclaimed dividend was required to be transferred to Investors Grievance Fund under Section 205C of the Companies Act, 1956.

L. Plant Location:

The Company is engaged in the business of carrying on the trade and business of Sugar, furnace, all type of food & food products and to act as shippers, commission agents, forwarding and clearing agent. The business of the Company is being operated from the following sites:

M. Works:

Village - Aurangabad
Tehsil - Nawab Ganj
District - Bareilly- 262407(U.P)

N. Registered Office:

72, Ground Floor,
Taimoor Nagar,
New Delhi-110065

O. Address for Correspondence:

72, Ground Floor,
Taimoor Nagar,
New Delhi-110065

P. Code of Conduct:

The Company had adopted a Code of Conduct for its Board of Directors & Senior Management Personnel and the same has been posted on the Company's Website.

Declaration by the Managing Director on the Code of Conduct:

Pursuant to the Clause 49 of the Listing Agreement with the Stock Exchanges, I Manjeet Singh, Managing Director & CEO of the Company, declare hereby that all the Board Members & Senior Executives of the Company, have affirmed their compliance with the Code of Conduct during the year ended 31st March 2014.

Place : New Delhi
Date : 14/08/2014

Sd/-
Managing Director & CEO
OSWAL OVERSEAS LIMITED

1. OVER VIEW:

Sugar industry is the largest agro-based industry located in the rural India. About 46 million sugarcane farmers, their dependents and a large mass of agricultural labourer are involved in sugarcane cultivation, harvesting and ancillary activities, and constituting 7.5% of the rural population. Besides, about 0.5 million skilled and semi-skilled workers, mostly from the rural areas are engaged in the sugar industry. The sugar industry in India has been a focal point for socio-economic development in the rural areas by mobilizing rural resources, generating employment & higher income, transport and communication facilities. Further, many sugar factories have established schools, colleges, medical centers and hospitals for the benefit of the rural population. Some of the sugar factories have also diversified into byproduct based industries and have invested and put up distilleries, organic chemical plants, paper and board factories and cogeneration plants. The industry generates its own replenish able biomass and uses it as fuel without depending on fossil fuel. The sugar industry's contribution to the Indian economy is, therefore, enormous.

However in the sugar business, with significantly lower production than consumption during the current season and resultant depleting inventory levels, the sugar prices remain buoyant.

2. OSWAL OVERSEAS LTD : DEVELOPMENT IN FY 2013-14

Total Income of the Company has decreased from 8387.89 (12-13) to Rs. 3209.91 Lac (13-14), (approx. 61%). The Net Loss in the current year was Rs. 1017.64 Lac as against Rs. 548.06 Lac of the previous year.

3. EXPANSION PLANS :

Due to stringent scenario of the Sugar Industry, the Company's proposed plan to expand the capacity of Sugar Unit from 3500 TCD to 5500 TCD and setting-up a Co-Generation plant of 25 MW at the existing site, has been re-scheduled. However Management has taken concrete steps in the FY 13 to expedite these projects by appointing IFCI as Advisor & Syndicator for arrangement of Funds from Sugar Development Fund and if required, Term Loan from other Banks/FIIs .

To meet the cost of up-coming projects, the Company is planning to approach the Banks/FIs and other Institutions for Term Loans and to raise the money through other established mode of financing.

4. SWOT ANALYSIS:

Strength:

- ✓ Very low Debt Equity ratio leading to stronger borrowing capacity and high network.
- ✓ The Security coverage in terms of long term as well as CC limit is the best of the competitive other units.
- ✓ OOL is planning to enhance its present capacity to crush the maximum cane in shorter sugar season. The unit is strategically situated in cane rich belt of central Uttar Pradesh.
- ✓ Abundant Land at the existing plant site which may be used for the Company's future expansion and diversification programmes.
- ✓ OOL is already supplying the surplus power to its Furnace Division, being generated by the existing infrastructure.
- ✓ The unit is empowered with experienced, skilled and young Human Assets.
- ✓ Diversified Group comprising sectors i.e. Sugar, Iron, Hospitality and Entertainment

Weaknesses:

- ✓ Being the Seasonal Industry, OOL's growth plan & profitability depends on various cyclic constraints.
- ✓ Quality of raw material largely depends upon natural and seasonal factors.
- ✓ Cane price is administered by State Government which may affect profitability and cash flow of Company.

Opportunities:

- ✓ Co-Generation through Bagasse /Biomass, proposed to be used for forthcoming Co-gen Power Plant will qualify for Carbon Credits Mechanism.
- ✓ Being a diversified group into Sugar & Furnace, OOL can satisfy larger consumer base of different segments.
- ✓ OOL is planning to expand its Sugar & Furnace Capacities and setting-up Co-generation plant by consuming the by-product bagasse / Biomass through external resources. This will give opportunity to make use of capital resources during the off season even when sugar production remains stopped.
- ✓ Ethanol gives more opportunities for sustainable profitability due to GOI determination for implementing 10% blending of ethanol with petrol, particularly in the high rises in the prices of Crude Oil.
- ✓ Production of value added products such as refined sugar, small packs, sugar cubes etc. that shall bring in higher contribution.
- ✓ Increased opportunities for forward integration in furnace project.

Threats:

- ✓ OOL has to face tough competition with the existing competitors.
- ✓ High cane production adversely affect sugar and its by product realisation.
- ✓ Sugar & Alcohol/Ethanol Industries are always poised to threat because of continuous monitoring by Government policies in the form of Regularization or De-regularization & infrastructure changes.

5. **STRATEGY :**

- (i) **Short Term:** The demand & supply gap of the Sugar across the Country may affect the small units like OOL. Hence the Company's near term strategy is to leverage expanded capacities, customer relationship and the robust growth expected in view of upcoming sugar cycle in the forthcoming years.
- (ii) **Medium Term:** OOL believes in the medium term to upgrade the capacity upto 5500 TCD of the Sugar Plant, to adopt aggressive Cane Development Programmes and sufficient growth opportunity with relatively low risks and high returns on invested capital.
- (iii) **Long Term:** The Company's long term strategy is to optimize its enhanced capacity in future upto 7500 TCD with expansion in Furnace Division and setting up a Co-Generation Plant of 25 MW.

Near-term operational objectives:

- Further increase competitive edge by lowering costs and improving efficiencies.
- Strengthen customer base and relations by entering into strategic alliances.
- Upgrading the existing facilities through technological & innovative process.

Human Resources/ Industrial Relations:

OOL recognizes that a large part of its success is attributable to the excellent human resources base created over the years. This intellectual capital reflects in the quality of our business strategy, our customer's relationship, strong project management and commercialization skills and our development capabilities.

6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The efficiency of the internal control system has been improved with implementation of high level of system-based checks and controls through core business process in materials, operations, accounting & HR. Regular internal audits and checks are carried out to ensure that responsibilities are executed effectively and that adequate systems are in place to maintain authenticity and correctness of recorded transactions.

7. FINANCIAL TRANSACTION :

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and Accounting Standards in India. Our management accepts the responsibility for the integrity and objectivity of these financial statements as well as for various estimates and judgment used therein. The estimates and judgments relating to the financial statements have been made on a prudent & reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transaction and reasonably present out state of affairs and profits of the year.

8. REVENUE ANALYSIS:

Gross revenues in financial year 2013-14 has been decreased by 61% over the previous year to Rs. 3209.91 Lac (PY Rs. 8387.89 Lac) while the net loss after tax were at Rs.1017.64 Lac in FY 14 in comparison of Net Loss Rs. 548.07 Lac in the FY, 13. EBDITA was at Rs. 1017.64 Lac in FY 14 (44.58 % lower than previous years).

9. CAPITAL STRUCTURE :

There was no change in the capital structure of the Company and the paid-up equity capital remained at Rs. 646.11 Lac as on 31st March, 14.

10. RESERVE:

OOL Free Reserves has decreased to Rs. -175.67 Lac in FY' 14 in comparison to FY' 13 Rs. 841.96 Lac.

11. LOANS:

Total debt outstanding as on 31st March, 13 is as follows:

Sr. No.	Name of Banks/ FIs	Amount O/S as at 31 st March, 13
(i)	SBI- Cash Credit	826.28
(ii)	SBOP- Stock Pledged	321.16
(iii)	SDF	199.05

MANAGEMENT'S DISCUSSION & ANALYSIS

Forming Part of Directors' Report for the year ended 31st March, 2014

(iv)	SBI- Term Loan	4.61
(v)	Term Loans (Cars & Tractor Trolly)	50.99

12. FINANCIAL OBJECTIVITY , INITIATIVE AND ACHIEVEMENTS :

Your Company is taking proactive measures to ensure all financial costs are effectively reduced to positively impact the bottom line:

- (i) Interest : The outflow on account of interest & finance charges decreased from Rs. 249.76 Lac in FY's 13 to Rs. 237.36 Lac in FY's 14, representing an decrease of 4.96%.
- (ii) Capital Expenditure : Gross Block of Fixed Assets of the Company was Rs. 7880.58 Lac in FY's 13 in comparison of Rs. 7931.13 Lac in FY's 14. There was an investment Rs. 50.55 during the FY's 13-14.
- (iii) Depreciation : Depreciation increased by Rs. 1.43 Lac in FY's 14 in comparison to previous year.
- (iv) Debtors : Substantial Sugar Sales are on the cash basis, hence receivables cycle is very nominal. Debts for more than six months marginally increased by 14.31% in FY's 14 to Rs. 91.38 Lac compared to PY 13 of Rs. 79.94 Lac. This comprises 9.15% of total receivables as on 31st March, 14 against 64.69% on 31st March, 13.
- (v) Loans & Advances : In FY's 14, loans & advances stood at Rs. 678.84 Lac, compared to Rs. 956.71 Lac in FY's 13.

13. SIGNIFICANT ACCOUNTING POLICIES : (As mentioned in the Auditors Report)

Revenue Recognition, Inventories Valuation, Fixed Assets, Depreciation, Research & Development, Expenditure on new projects & substantial expansions, Cenvat Credit Sales Tax, Borrowing Cost, Earning Per Share, Taxes on Income, Segment Reporting Policy, Intangible Assets, Impairment of Assets, Provisions, Cash & Cash equivalent

14. RISK MANAGEMENT:

As a Company poised to take on the mantle of industry mainstream, OOL is exposed to various risks. The Company is engaged in the business of manufacturing Sugar and MS Steel Ingots. Some of these risks are external and result from the business environment we operate in, while some are internal to the Company. We have developed a risk reporting management process to manage potential risks in an informed manner.

We have a three-pronged risk management process. Our comprehensive risk governance culture ensures that business decisions taken balance risk and reward. Consequently, our earnings-generating initiatives are consistent with our risk standards. Our risk-management revolves around corporate policies that outlined standards and provide measurement guidelines for each risk category. The

Company proactively evaluates and puts in place risk-mitigation initiatives, sets prudent limits on quantum of risk undertaken and does risk evaluation of major policy decisions.

We manage the variables impacting business risk with a disciplined risk management process is keeping with established standards. The risk management strategies and processes are regularly reviewed in keeping with the changing environment.

15. RISK ENVIRONMENT:

A number of potential risks in the current environment might make the Sugar Industry mixed prospects over the coming years. These risks may stem from Central/ State Government Policies, Cane availability, State administered Cane Price, Customer Concentration Risk and Geographical Risks amongst others. OOL is, however, well poised to manage and mitigate these risks.

16. STEPS TAKEN TO MITIGATE RISKS

OOL is planning to upgrade its existing plant through expansion and diversification on the basis of latest technology and human expertise. The objectives are :

- a) Ability to rapidly commercialize new expanded and diversified capabilities.
- b) Access to new opportunities through long-standing strategic partnerships.

17. OTHER RISKS AND KEY MANAGEMENT INITIATIVES :

a) Industry risk management:

Indian Sugar Companies are prone to induced cyclicity, with higher cane prices in spite of the falling sugar realization which are adversely affecting the profitability. OOL operates in an industry where demand & supply is restricted due to seasonality of operations & Government Policies, Administered Cane Prices which may jeopardize future growth of the medium sized group like ours.

b) Regulatory Risk:

The policies of the Government may not be conducive to the growth and development of the Indian Sugar Industry, particularly for a short span of time.

There are various favourable policies expected from the Government in the near future.

c) Working Capital Risk:

The sugar sector is working-capital intensive. The continued slump in the Industry may affect the Company's profitability to manage its working capital requirements.

The Company will manage the enhanced requirement of working capital by means of working capital limits by the banks, short-term loan or unsecured loan from the promoters.

d) Business Model Risk:

The Company's business model may not be effective in a year of sugar down turn.

MANAGEMENT'S DISCUSSION & ANALYSIS

Forming Part of Directors' Report for the year ended 31st March, 2014

To mitigate the risk our Company has adopted a diversified model comprising Sugar and furnace to minimize the inherent risk of cyclicity of the sugar business. OOL is exploring the business opportunities through expansions of existing infrastructure and diversification into Co-Gen.

e) People risk management:

High quality human resources are vital to the success of our business.

In order to retain talent, the Company promotes a sense of ownership and pride in association with strong HR initiatives, which have helped us keep attrition rates well in control.

f) Cash flow risk:

The Company operates in a cyclic growth oriented industry, especially on account of changing Government Policies of administered prices, control/decontrol and cane availability. Hence, it is imperative to efficiently estimate and manage cash flows in this volatile environment. The Company's working capital arrangement is comparatively low against any uneven or seasonal factors. Hence the Company is trying to tie-up additional alternative financing or cost optimization/ funding the operations. Besides the Company monitors liquidity on a regular basis.

g) Security risk management:

Operations could be disrupted due to natural, political and economic disturbances.

As a part of its 'Disaster Recovery' plan, all related risks have been mapped by the Company and are monitored regularly.

18. DISCLOSURE:

During the year under review, the Company has not entered into any transaction of the material nature with its Promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

19. MANAGEMENT'S RESPONSIBILITY STATEMENT:

The management is responsible for preparing the Company's consolidated financial statements and related information that appears in this annual report. The management believes that these financial statements fairly reflect the form and substance of transactions and reasonably represent the Company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

20. CAUTIONARY STATEMENT:

Some of the statements in this report that are not historical facts are forward-looking statements. The forward-looking statements include our financial growth projections as well as statements concerning our plans strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. These risks include uncertainties that

MANAGEMENT'S DISCUSSION & ANALYSIS

Forming Part of Directors' Report for the year ended 31st March, 2014

could cause actual events to differ materially from these forward-looking statements. These risk include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world and other risks not specifically mentioned.

Sd/-

Manjeet Singh
Managing Director

Independent Auditor's Report

To The Members of
Oswal Overseas Limited
Delhi

Report on the Financial Statements

We have audited the accompanying financial statements of Oswal Overseas Limited, which comprise the Balance Sheet as at March 31, 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 referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 (The Act). 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 misstatements, whether due to fraud or error.

Auditor's 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 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 March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the Loss 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.

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 sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of The Act;
 - e) on the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of The Act.

Place: Delhi
Date: 28.05.2014

**For KANSAL SINGLA & ASSOCIATES,
Chartered Accountants**

Sd/-
(CA. S.K. ARORA)
PARTNER
M NO.070405
FRN: 003897N

The Annexure referred to in paragraph 1 of our report of even date to the members of Oswal Overseas Limited, on the accounts of the Company for the year ended on 31st March, 2014.

On the basis of such checks as we considered appropriate during the course of our audit and according to the information and explanations given to us, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification

(c) During the year, the Company has not disposed off any part of the plant and machinery affecting the going concern status of the Company.
2. (a) The inventories have been physically verified during the year by the management at reasonable intervals.

(b) The procedures of physical verification of inventories 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 inventory and no material discrepancies were noticed on physical verification. However, minor discrepancies noticed on verification between the physical stocks were properly adjusted in the consumption of stores.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of The Act.

(b) The Company has taken interest free unsecured loans from five parties covered in the register maintained under Section 301 of The Act. The balances outstanding as on 31.03.2014 and the maximum amount outstanding during the year of these loans were Rs.313.20 and Rs.789.45 lacs respectively.

(c) The terms & conditions on which these loans were accepted are not prejudicial to the interest of the Company.

(d) No stipulation has been specified for the repayment of these loans.

4. There is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories & fixed assets, for payment of expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) The particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.

b) In our opinion the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of The Act and exceeding the value of rupees five lacs in respect of any party during the year have been made at terms which are reasonable at the relevant time.
6. In our opinion, the Company has accepted the Deposits covered as per the provisions of Sections 58A and 58AA or any other provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 in the form of unsecured loans which are within the exempted categories of the said section.
7. The Company has an in house internal audit system commensurate with its size and the nature of its business.
8. We have reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act but not vouched and are of the opinion that the prescribed accounts and records have been made and maintained.
9. (a) The company has deposited, with some delay, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable with appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs duty, Excise duty and Cess were in arrears, as at 31st March, 2014, for a period of more than six months from the date they became payable.

(c)The following disputed amounts were not paid by the Company as at 31st March 2014:

Name of the Statute	Nature of Dues	Total demand	Paid under protest	Balance amount	Financial year to which relates	Forum where dispute is pending
U.P. sales tax	Entry Tax	10.00	.41	9.59	2000-01	Hon'ble High Court, Allahabad
U.P. sales tax	Entry Tax	60.04	-	60.04	2001-02	Hon'ble High Court, Allahabad
U.P. sales tax	Entry Tax	35.05	17.53	17.53	2002-03	Hon'ble Supreme Court
U.P. sales tax	Entry Tax	7.67	0	7.67	2003-04	Add. Commissioner II(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	63.82	0	63.82	2004-05	Add. Commissioner II(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	98.99	0	98.99	2005-06	Add. Commissioner II(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	76.17	0	76.17	2006-07	Add. Commissioner II(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	40.80	2.09	38.71	2007-08	Add. Commissioner II(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	25.59	4.91	20.68	2008-09	Add. Commissioner II(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	4.94	2.47	2.47	2008-09	Add. Commissioner I(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	9.77	.98	8.79	2009-10	Add. Commissioner II(A), Sales Tax, Bareilly
U.P. sales tax	Entry Tax	9.84	.98	8.86	2010-11	Add. Commissioner II(A), Sales Tax, Bareilly
Entry Tax		442.68	29.37	413.31		
U.P. sales tax	Sales tax	66.13	2.22	63.91	2005-06 to 2012-13	Various Appellate authorities

10. The accumulated losses of the Company as at the end of the financial year exceed 50% of its Net worth. Further, the Company incurred cash loss amounting to Rs. 651.91 Lacs during the financial year covered by our audit and Rs. 198.25 lacs in the immediately preceding year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the bank.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society.
14. The Company is not trading in Shares, Mutual funds & other Investments.
15. The Company has given guarantees to various banks for repayment of crop loans amounting to Rs. 265.41 lacs taken by farmers from banks. The terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
16. During the year, the Company has not availed any new term loan from banks/ financial institutions.
17. On an overall examination of the balance sheet of the company, we report that no short term funds have been used for long term purposes by the company.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. No fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For KANSAL SINGLA & ASSOCIATES
Chartered Accountants

Place: Delhi
Date: 28.05.2014

Sd/-
CA. S.K.ARORA-PARTNER
MNO.070405; FRN: 003897N

OSWAL OVERSEAS LIMITED
BALANCE SHEET AS ON 31ST MARCH 2014

PARTICULARS	Notes		AS ON 31.03.2014(Rs.)		AS ON 31.03.2013(Rs.)
<u>EQUITY AND LIABILITES</u>					
<u>A) Shareholders funds</u>					
Share Capital	2	64,610,500		64,610,500	
Reserves and surplus	3	(17,567,920)		84,196,958	
			47,042,580		148,807,458
<u>B) Non-current liabilities</u>					
Long-term borrowings	4	62,543,090		43,889,425	
Deferred tax liabilities(Net)		-		-	
Other Long term liabilities	5	2,324,092		2,569,405	
Long-term provisions	6	1,515,542		1,067,629	
			66,382,724		47,526,459
<u>C) Current liabilities</u>					
Short-term borrowings	7	114,744,493		142,216,826	
Trade payables	8	305,990,398		291,774,437	
Other current liabilities	9	105,090,395		113,356,714	
Short-term provisions	10	4,203,086		10,548,512	
			530,028,372		557,896,488
TOTALS			643,453,676		754,230,404
<u>ASSETS</u>					
<u>A) Non-current assets</u>					
Fixed Assets					
-Tangible assets	11	298,062,877		329,466,424	
-Capital work-in-progress		2,759,075		2,757,573	
Long-term loans and advances	12	4,245,057		55,341,758	
Other Non-current assets	13	11,130,629		11,130,629	
			316,197,638		398,696,385
<u>B) Current assets</u>					
Inventories	14	118,045,500		244,959,749	
Trade receivables	15	99,845,999		12,356,260	
Cash and bank balances	16	42,092,191		57,468,727	
Short-term loans and advances	17	63,639,747		40,329,744	
Other current assets	18	3,632,600		419,539	
			327,256,038		355,534,018
TOTALS			643,453,676		754,230,404
Significant Accounting Policies	1				
Notes to Accounts	2 to 27				

The Notes are an integral part of the financial statements.

Sd/-
(RAJKISHORE DIKSHIT)
ASST. MANAGER F&A

Sd/-
(BAGGA SINGH)
COMPANY SECRETARY

Sd/-
(PARAMJEET SINGH)
DIRECTOR

Sd/-
(MANJEET SINGH)
MANAGING DIRECTOR

Auditor's Report

In terms of our separate report of even date annexed
For KANSAL SINGLA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-

(CA. S.K. ARORA)
PARTNER
M.No. 070405
FRN 003897N

Place: DELHI
Date :28.05.2014

OSWAL OVERSEAS LIMITED
Statement of Profit and loss for the year ended 31st march 2014

Particulars	Notes		For the year ended 31.03.2014 (Rs.)		For the year ended 31.03.2013 (Rs.)
Income					
Revenue from operations(gross)	19	339,398,512		871,735,116	
Less:excise duty		18,889,650		33,884,139	
Revenue from operations(net)			320,508,862		837,850,977
Other income	20		482,305		938,499
Total revenue (I)			320,991,167		838,789,476
Expenses					
Cost of materials consumed	21	184,446,388		571,669,506	
Changes in inventories of finished goods, work-in progress and stock-in -Trade	22	120,919,066		178,543,086	
Employee benefits expenses	23	19,238,825		22,104,829	
Finance costs	24	23,736,908		24,976,644	
Depreciation and amortization expense	25	36,458,778		36,556,281	
Other expenses	26	37,888,079		61,535,851	
Provision no longer required		-		(215,387)	
Total expenses (II)			422,688,043		895,170,810
Loss before extraordinary items (I-II)			(101,696,876)		(56,381,334)
Less:Prior Peiod Items		68,001		14,890	
Add: Prior Period Income		-			
Loss before tax			(101,764,877)		(56,396,224)
Tax expenses					
Current tax		-		-	
Deferred tax		-		(1,589,284)	
Less: Total tax expenses			-		(1,589,284)
Loss for the year			(101,764,877)		(54,806,940)
Basic/Diluted EPS (Face Value- Rs.10/-)			(15.75)		(8.48)
Significant Accounting Policies	1				
Notes to Accounts	2 to 27				

The Notes are an integral part of the financial statements.

Sd/-
(RAJKISHORE DIKSHIT)
ASST. MANAGER F&A

Sd/-
(BAGGA SINGH)
COMPANY SECRETARY

Sd/-
(PARAMJEET SINGH)
DIRECTOR

Sd/-
(MANJEET SINGH)
MANAGING DIRECTOR

In terms of our separate report of even date annexed
For KANSAL SINGLA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(CA. S.K. ARORA)
PARTNER
M.No. 070405
FRN 003897N

Place: DELHI
Date :28.05.2014

OSWAL OVERSEAS LIMITED, NAWABGANJ
CASH FLOW STATEMENT

(Rs. In Lacs)

PARTICULARS	31.03.2014	31.03.2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEM	(1,016.97)	(563.96)
Adjustment for:		
Add:		
Depreciation	364.59	365.56
Prior Period Expenses	0.68	0.15
Interest Paid	226.08	249.77
Loss on Sale of Fixed assets	-	2.74
Less: Interest income received	(1.63)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(428.62)	54.25
Change in Trade and other receivable	(629.16)	19.71
Change in Inventories	1,269.14	1,846.82
Change in Trade Payables	(278.68)	(1,138.19)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(67.32)	782.60
NET CASH FROM OPERATING ACTIVITIES	(67.32)	782.60
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(50.57)	(17.08)
Sale of Fixed Assets(net)	-	3.70
Add: Interest Received	1.63	
NET CASH USED IN INVESTING ACTIVITIES	(48.94)	(13.38)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) from Long Term borrowings	186.54	(253.48)
Proceeds/ (Payment) from other long term liabilities	2.03	1.99
Interest paid	(226.08)	(249.77)
NET CASH FROM FINANCING ACTIVITIES	(37.52)	(501.25)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(153.77)	267.97
CASH AND CASH EQUIVALENTS AS AT BEGINNING	574.69	306.72
CASH AND CASH EQUIVALENTS AS AT END	420.92	574.68

Sd/-
(RAJKISHORE DIKSHIT)
ASST. MANAGER F&A

Sd/-
(BAGGA SINGH)
COMPANY SECRETARY

Sd/-
(PARAMJEET SINGH)
DIRECTOR

Sd/-
(MANJEET SINGH)
MANAGING DIRECTOR

Sd/-

In terms of our separate report of even date annexed.

For Kansal Singla & Associates
Chartered Accountants

Place: NEW DELHI
Date :28.05.2014

Sd/-
(S. K. ARORA)
PARTNER
M.No. 070405

OSWAL OVERSEAS LIMITED

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2014.

1. Basis of Accounting

The company maintains its accounts on accrual basis following the historical cost conventions in accordance with generally accepted Accounting principles (GAAP) and in compliance with the Accounting Standards referred to in section 211(3C) and other requirements of the Companies Act 1956. The preparation of the financial statements in conformity with GAAP requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful life of fixed assets and intangible assets, provisions for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates.

2. Revenue Recognition

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

- (a) Revenue from sale of goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.
- (b) Other income is accounted for on accrual basis as and when the right to receive arises.

3. Inventories Valuation

Inventories except by-products are valued at lower of cost or net realisable value. By-Products are valued at net realisable value. For valuation of finished goods, appropriate overheads are considered. Closing Stock is inclusive of Excise duty. Store inventory is valued at weighted average cost method.

4. Fixed Assets

The fixed assets are stated at cost net of Excise Duty, less accumulated depreciation and impairment loss if any. All costs directly related to the acquisition and installation of fixed assets are capitalised and added to the respective assets. Borrowing Costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use. Fixed assets and stores are booked net of Excise Duty to avail the benefit of CENVAT. Un-availed CENVAT is shown under the head "CENVAT Recoverable" under Loans and Advances.

5. Depreciation

Depreciation is provided on all the fixed assets on Straight Line Method basis in accordance with and in the manner specified in Schedule XIV of the Companies Act, 1956.

6. Foreign Currency Transactions

Transactions denominated in foreign currency are normally recorded at the exchange rates prevailing at the time of the transactions. Monetary items denominated in foreign currencies at the year end are translated at the year end exchange rates. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit & Loss Account.

7. Expenditure on new projects & substantial expansions

Expenditure directly relating to construction/substantial expansion activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Income earned for during construction period is deducted from the total of the indirect expenditure.

As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

8. Impairment of Assets

At each balance sheet date, the carrying amounts of fixed assets are reviewed by the management to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (recoverable amount is the higher of an assets net selling price or value in use). In assessing the value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre discounted rate that reflects the current market assessment of time value of money and risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the profit and Loss account

9. Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis with the related cost, which it is intended to compensate. Where grant/subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset against which grant/subsidy has been received and further where the grant/subsidy is in the nature of promoters contribution the amount of grant/subsidy is accounted for as a capital reserve.

10. Investments

Investments that are readily realizable and intended to be held for less than one year are classified as current investments, Current investments are carried at lower of cost or market value, whereas long term investments are carried at historical cost. The provision for diminution in the value of investment other than temporary is provided for.

11. Miscellaneous Expenditure

Preliminary expenses and cost incurred in raising funds are written off to the Statement of profit and loss account in the year in which the same are incurred.

12. Employees Benefits

Provision for Leave encashment liability and Provision for Gratuity is made on Actuarial valuation basis. Provident Fund: Contribution to provident fund is made in accordance with the provisions of the Employees Provident Fund Act, 1952.

13. Tax Expenses

Tax expenses comprises of current and deferred income tax and wealth tax. Current income tax is calculated at the amount expected to be paid to the tax authorities in accordance with the Indian 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.

14. Deferred Tax

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 are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward of unabsorbed depreciation and tax losses, deferred tax, assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against further taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that further taxable income will be available against which such deferred tax assets can be realized.

15. Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividend & taxes) by the weighted average number of equity shares outstanding during the year. Equity shares that are partly paid up are treated as a fraction of an equity share to the extent they entitled to participate in dividends. The weighted average numbers of equity shares outstanding during the year are adjusted for events such as bonus issue, bonus element in a right issue to the existing shareholders, share split and consolidation of shares.

For the purpose of calculating diluted EPS, the net profit or loss attributable to equity share holders and weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

16. Segment Reporting

a). Segment accounting policies are in line with the accounting policies of the company. In addition, the following specific accounting policies have been followed for segment reporting.

(1). Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment sales.

(2) Expenses that are directly identifiable with/allocable to segment are considered for determining the segment result. Expenses which relate to the company as a whole and not allocable to segment are included under Un-allocable corporate expenditure.

(3) Income which relates to the company as a whole and not allocable to segments is included in un-allocable corporate income.

(4) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable corporate assets and liabilities represent the assets and liabilities that relate to company as a whole and not allocable to any segment. Un-allocable assets mainly comprise corporate head office assets, investments and tax deposited with the Income Tax Authorities. Un-allocable liabilities include mainly Unsecured Loans and Tax Payable to Income Tax authorities.

b). Inter Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of market price.

17. Provisions & Contingent liabilities

A provision is recognized when an enterprise has

- (1) A present obligation as a result of past events.
- (2) It is probable that an outflow of resources will be required to settle the obligation.
- (3) In respect of which a reliable estimate can be made.

The provisions are determined based on the best estimates required to fulfill the obligation on the balance sheet date. The provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise: or
a present obligation that arises from past events but is not recognized.

The Contingent liabilities are not recognized but are disclosed in the notes. The Contingent Assets are neither recognized nor disclosed in financial statements.

18. Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank, cash in hand & short term investments.

19. Borrowing Cost

Borrowing Costs that are attributable to the acquisition, Construction or Production of qualifying assets are capitalized as part of cost of such asset till such asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other Borrowing Costs are recognized as an expense in the period in which they are incurred.

OSWAL OVERSEAS LIMITED

NOTE 2 SHARE CAPITAL

PARTICULARS	AS ON 31.03.2014 (Rs.)	AS ON 31.03.2013 (Rs.)
Authorised 36000000 (PREVIOUS YEAR -36000000) equity shares of Rs.10.00 each	360,000,000	360,000,000
Issued Subscribed & Paid up 6461050 (PREVIOUS YEAR - 6461050) Equity Shares of Rs.10.00 each fully paid up	64,610,500	64,610,500
TOTAL	64,610,500	64,610,500

a) Reconciliation of number of shares

(i). Reconciliation of the Authorised share capital at the beginning & at the end of the period
(No. of shares of Rs. 10/- each)

Authorised Share capital at the beginning of the year	36,000,000	36,000,000
Add: Additions during the year	-	-
Authorised Share capital at the end of the year	36,000,000	36,000,000

(i) Reconciliation of the outstanding shares issued & subscribed at the beginning & at the end of the period

(No. of shares of Rs. 10/- each)

Shares outstanding at the beginning of the year	6,461,050	6,461,050
Add: Shares issued during the year	-	-
Shares outstanding at the end of the year	6,461,050	6,461,050

b). The details of equity shares held by each shareholder holding more than 5% of share capital is as below-

S.no	Name of shareholder	As on 31.03.2014		As on 31.03.2013	
		No. of Share Held	% of shares held	No. of Share Held	% of shares held
1	Shri Paramjeet Singh	1,808,710	28	1,808,710	28
2	Shri Manjeet Singh	1,739,840	27	1,739,840	27
3	Shri Surjeet Singh	1,221,650	19	1,221,650	19

c) Terms/ rights attached to equity shares

The company has only one class of Equity Share having a par value of Rs. 10/- each. Holder of each equity share is entitled to one vote per share. The company has not allotted any shares for consideration other than cash during the last five years.

Sd/-
(RAJKISHORE DIKSHIT)
ASST. MANAGER F&A

Sd/-
(BAGGA SINGH)
COMPANY SECRETARY

Sd/-
(PARAMJEET SINGH)
DIRECTOR

Sd/-
(MANJEET SINGH)
MANAGING DIRECTOR

OSWAL OVERSEAS LIMITED

NOTE 3 Reserves and surplus

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
		(Rs.)		(Rs.)
Securities premium account		159,010,800		159,010,800
Other Reserves (Molasses Storage Fund)	1,775,753		1,720,376	
Additions during the year	67,577		55,377	
Closing Balance		1,843,330		1,775,753
Surplus /(deficit) in the statement of profit and loss				
Balance as per last financial statements	(76,589,597)		(21,727,279)	
Loss for the year	(101,764,877)		(54,806,940)	
Less: Appropriations				
- Transfer to Molasses Storage Fund	67,577	(178,422,050)	55,377	(76,589,596)
Net deficit in the statement of profit and loss				
TOTAL		(17,567,920)		84,196,958
		(17,567,920)		
		0		

The company has transferred Rs. 67577/-(P.Y. Rs. 55377/-) to Molasses Storage Fund to comply with the requirements of Uttar Pradesh Sheera Niyantan Adhiniyam, 1964.

NOTE 4 Long - term borrowings

PARTICULARS	AS ON 31.03.2014		AS ON 31.03.2013	
		(Rs.)		(Rs.)
Term loans				
From Bank	461,301		6,003,215	
From Sugar Development Fund	19,905,750	20,367,051	26,541,000	32,544,215
Vehicle Loans		5,099,039		5,300,210
Loans and advances from related parties				
- From Directors & their relatives	30,045,000		45,000	
- from Associate Concerns	1,275,000	31,320,000	-	45,000
Inter-corporate Loans	5,757,000	5,757,000	6,000,000	
		-	-	6,000,000
TOTAL		62,543,090		43,889,425

A) Term Loans

The Term Loan from State Bank Of India is secured by first charge on all the fixed assets of the company. It has further been secured by personal guarantee of directors. It is repayable in 60 equated monthly instalments of Rs.4.25 lacs/- each and the last installment is payable in April 2015.

2. The Term Loan from Sugar Development Fund is secured by way of second charge on the fixed assets of the company. It has further been secured by personal guarantee of directors. It is repayable in four annual instalments and the last installment is payable in october 2017.

3. The Vehicle Loans are secured by way of hypothecation of the respective vehicles.

Sd/- |
(RAJKISHORE DIKSHIT)
ASST. MANAGER F&A

Sd/- |
(BAGGA SINGH)
COMPANY SECRETARY

Sd/- |
(PARAMJEET SINGH)
DIRECTOR

Sd/- |
(MANJEET SINGH)
MANAGING DIRECTOR

OSWAL OVERSEAS LIMITED

NOTE 5 <u>Other Long - term Liabilities</u>				
a) Security /received				
- Dealers' Security	1,468,340		1,713,653	
- From Others	855,752	2,324,092	855,752	2,569,405
TOTAL		2,324,092		2,569,405

NOTE 6 <u>Long - term Provisions</u>				
PARTICULARS		AS ON 31.03.2014 (Rs.)		AS ON 31.03.2013 (Rs.)
a) Provision for employee benefits				
- Provison for Leave Encashment	-	319,376	209,201	
- Provision for Gratuity	-	1,196,166	858,428	1,067,629
b) Other provisions		-		
TOTAL		1,515,542		1,067,629

NOTE 7 <u>Short -term borrowings</u>				
PARTICULARS		AS ON 31.03.2014 (Rs.)		AS ON 31.03.2013 (Rs.)
Loans repayable on demand				
From banks (Cash credit)		114,744,493		142,216,826
from other parties				
TOTAL		114,744,493		142,216,826

The cash credit limits from State Bank Of India are secured by first charge on the current assets and second charge on fixed assets of the company. It has further been secured by personal guarantee of directors.

NOTE 8 Trade Payables

PARTICULARS		AS ON 31.03.2014 (Rs.)		AS ON 31.03.2013 (Rs.)
- For Goods	15,379,016		12,690,450	
- For Cane	276,805,210		267,839,531	
- Contractors (Transport & Misc)	11,236,070		8,994,338	
- Commission	2,570,102	305,990,398	2,250,117	291,774,437
TOTAL		305,990,398		291,774,437

NOTE 9 Other current liabilities

PARTICULARS		AS ON 31.03.2014 (Rs.)		AS ON 31.03.2013 (Rs.)
a) Current maturities of long -term debts	-			
- From Banks	4,500,000		2,800,000	
- From Sugar Development Fund	6,635,250	11,135,250	7,750,000	10,550,000
- Vehicle Loans		3,118,843		4,287,255
bj) Other payables				
- Cheques issued but not presented	14,772,647		87,801,098	
	-		91,271	
- Advance from Customers	71,057,962		4,937,349	
- Expenses Payable	4,590,429		4,123,230	
- Statutory Dues Payable	415,264	90,836,302	1,566,511	98,519,459
TOTAL		105,090,395		113,356,714

Sd/-
(RAJKISHORE DIKSHIT)
ASST. MANAGER F&A

Sd/-
(BAGGA SINGH)
COMPANY SECRETARY

Sd/-
(PARAMJEET SINGH)
DIRECTOR

Sd/-
(MANJEET SINGH)
MANAGING DIRECTOR

OSWAL OVERSEAS LIMITED

NOTE 10 Short - terms provisons

PARTICULARS		AS ON 31.03.2014		AS ON 31.03.2013
a) Provison for excise duty		4,203,086		10,307,760
b) Provision for employee benefits				
- Provison for Leave Encashment				55,905
- Provision for Gratuity				184,847
TOTAL		4,203,086		10,548,512

ROYAL OVERSEAS LTD (BANKRUPT)
Reconciliation of the gross book cost and book of fixed assets at the beginning and at the end of the year

Note 11. Fixed assets

PARTICULARS	GROSS VALUE			DEPRECIATION				N.E.T. VALUE	
	As at 31.03.2013	As at 31.03.2014	Value Adjustment	As at 31.03.2013	For the Year	Value adjustment	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014
II. Tangible assets									
Land - Freehold	17,294,941.47	-	-	17,294,941.47	-	-	17,294,941.47	17,294,941.47	17,294,941.47
Site Development	12,336,098.70	-	-	12,336,098.70	-	-	12,336,098.70	12,336,098.70	12,336,098.70
Factory Building	107,076,671.80	-	-	107,076,671.80	31,449,985.00	-	75,626,686.80	54,426,691.80	86,238,761.80
Workshop Building	82,991,822.80	-	-	82,991,822.80	181,324.25	-	82,810,498.55	82,810,498.55	82,810,498.55
Plant & Machinery	492,418,718.89	5,389,947.00	-	497,808,665.89	300,317,862.80	-	197,490,803.09	197,490,803.09	197,490,803.09
Shower Installation	8,641,871.89	4,000.00	-	8,645,871.89	8,645,871.89	-	-	8,645,871.89	8,645,871.89
Furniture & Fixtures	4,218,848.80	-	-	4,218,848.80	3,011,231.89	-	1,207,616.91	4,218,848.80	4,218,848.80
Office Equipment	228,312.80	-	-	228,312.80	477,903.68	-	-	228,312.80	228,312.80
Motor Vehicle	18,412,888.00	-	-	18,412,888.00	14,828,225.69	-	3,584,662.31	18,412,888.00	18,412,888.00
Vehicle	34,313,648.00	1,426,710.00	-	35,740,358.00	14,847,826.69	-	20,892,531.31	35,740,358.00	35,740,358.00
Air Conditioner	1,171,403.00	-	-	1,171,403.00	1,171,403.00	-	-	1,171,403.00	1,171,403.00
Computer	1,801,128.00	34,250.00	-	1,835,378.00	1,835,378.00	-	-	1,835,378.00	1,835,378.00
Mobile Set	112,487.00	-	-	112,487.00	46,166.00	-	66,321.00	112,487.00	112,487.00
Software	711,000.00	-	-	711,000.00	711,000.00	-	-	711,000.00	711,000.00
Total	786,098,794.17	5,825,217.80	-	791,924,011.97	486,291,514.80	-	305,632,497.17	486,291,514.80	305,632,497.17
Previous Year	787,805,597.31	1,787,894.21	1,444,688.69	790,998,180.21	477,887,176.80	-	313,090,983.41	790,998,180.21	313,090,983.41
Capital work in progress									
Total	786,098,794.17	5,825,217.80	-	791,924,011.97	486,291,514.80	-	305,632,497.17	486,291,514.80	305,632,497.17
Previous Year	787,805,597.31	1,787,894.21	1,444,688.69	790,998,180.21	477,887,176.80	-	313,090,983.41	790,998,180.21	313,090,983.41

NOTE 12 Long Term Loans & Advances								
PARTICULARS		AS ON 31.03.2014		AS ON 31.03.2013				
Security Deposits		619,785		619,785				
Other Loans and Advances								
- Unsecured, considered good								
- Advances To Suppliers & Contractors	-		48,739,989					
-Advances To Other Parties	-		1,600,154					
- Taxes & Duties paid under protest	3,625,272	3,625,272	4,381,830	54,721,973				
TOTAL		4,245,057		55,341,758				
NOTE 13 Unamortised Expenditure								
PARTICULARS		AS ON 31.03.2014		AS ON 31.03.2013				
-Mat Credit Entitlement		11,130,629		11,130,629				
Others		-		-				
TOTAL		11,130,629		11,130,629				
NOTE 14 Inventories(valued at lower of cost and net realizable value)								
PARTICULARS		AS ON 31.03.2014		AS ON 31.03.2013				
Work-in -progress								
- Sugar	-		19,779,200					
- Molasses in Progress	-	-	1,750,661	21,529,861				
Finished goods								
- Sugar	73,157,536		175,037,734					
- Sugar & Sugar Biss	4,351,844		22,794,761					
- Molasses	11,009,060		22,794,761					
- Bagasse	8,690,000		4,869,825					
- Ingut	-		-					
- Runner Riser	15,000	97,223,440	15,000	202,717,319				
Stores & Spares		20,822,060		20,712,569				
TOTAL		118,045,500		244,959,749				
NOTE 15 Trade receivables								
PARTICULARS		AS ON 31.03.2014		AS ON 31.03.2013				
(Unsecured,considered good unless stated otherwise)								
- Outstanding for a period exceeding six months from the due date	9,138,578		7,994,980					
-Others	90,707,421	99,845,999	4,361,280	12,356,260				
TOTAL		99,845,999		12,356,260				
<table border="0" style="width:100%; border:none;"> <tr> <td style="width:25%; text-align:center;">Sd/- (RAJKISHORE DIKSHIT) ASST. MANAGER F&A</td> <td style="width:25%; text-align:center;">Sd/- (BAGGA SINGH) COMPANY SECRETARY</td> <td style="width:25%; text-align:center;">Sd/- (PARAMJEET SINGH) DIRECTOR</td> <td style="width:25%; text-align:center;">Sd/- (MANJEET SINGH) MANAGING DIRECTOR</td> </tr> </table>					Sd/- (RAJKISHORE DIKSHIT) ASST. MANAGER F&A	Sd/- (BAGGA SINGH) COMPANY SECRETARY	Sd/- (PARAMJEET SINGH) DIRECTOR	Sd/- (MANJEET SINGH) MANAGING DIRECTOR
Sd/- (RAJKISHORE DIKSHIT) ASST. MANAGER F&A	Sd/- (BAGGA SINGH) COMPANY SECRETARY	Sd/- (PARAMJEET SINGH) DIRECTOR	Sd/- (MANJEET SINGH) MANAGING DIRECTOR					

OSWAL OVERSEAS LIMITED

NOTE 16 Cash and cash equivalents.

PARTICULARS		AS ON 31.03.2014 (Rs.)		AS ON 31.03.2013 (Rs.)
Balances with scheduled banks				
- In Current Accounts	35,441,970		55,286,520	
- In F.D.R.'s	938,680		873,853	
	-	36,380,650	-	56,160,373
Stamp Papers in Hand		339,262		339,262
Cash cash equivalents				
- Cash In Hand	3,412,410		784,150	
- Imprest Accounts	1,959,869	5,372,279	184,943	969,093
TOTAL		42,092,191		57,468,727

NOTE 17 Short Term Loans & Advances

PARTICULARS		AS ON 31.03.2014 (Rs.)		AS ON 31.03.2013 (Rs.)
- Advances To Suppliers & Contractors	25,817,558		31,157,811	
-Advances To Other Parties	4,926,583		3,191,644	
-Loans & Advance-Cane Growers	29,628,000		6,642	
- Tax Deducted at Source	13,562		-	
- Taxes & duties Recoverable	3,254,045	63,639,747	5,973,646	40,329,744
TOTAL		63,639,747		40,329,744

NOTE 18

Others current assets

PARTICULARS		AS ON 31.03.2014 (Rs.)		AS ON 31.03.2013 (Rs.)
- Prepaid Expenses		45,000		419,539
Taxes & Duties		3,587,600		
TOTAL		3,632,600		419,539

NOTE 19 Revenue from operations

PARTICULARS		AS ON 31.03.2014 (Rs.)		For the year ended 31.03.2013 (Rs.)
Sale of finished goods		264,050,279		785,090,258
Sale of by products				
- Molasses		61,839,742		40,271,614
- Bagasse		12,848,324		42,428,150
Sale of Press Mud		660,167		1,667,591
Other Operating Revenue		-		2,277,503
Revenue from operations(gross)		339,398,512		871,735,116
Less: Excise duty		18,889,650		33,884,139
Revenue from operations(net)		320,508,862		837,850,977

Sd/- |
(RAJKISHORE DIKSHIT)
ASST. MANAGER F&A

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(BAGGA SINGH)
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DIRECTOR

Sd/- |
(MANJEET SINGH)
MANAGING DIRECTOR

OSWAL OVERSEAS LIMITED

NOTE 20 Other income

PARTICULARS		For the year ended 31.03.2014 (Rs.)		For the year ended 31.03.2013 (Rs.)
Interest income		163,277		181,780
Balances Written Back		1,463		111
Miscellaneous Income		317,565		756,608
TOTAL		482,305		938,499

NOTE 21 Cost of raw materials and components consumed

PARTICULARS		For the year ended 31.03.2014 (Rs.)		For the year ended 31.03.2013 (Rs.)
Inventory at the beginning of the year		-		-
Add: Purchases		184,446,388		571,669,506
		184,446,388		571,669,506
Less:inventory at the end of the year		-		-
TOTAL		184,446,388		571,669,506

NOTE 22

(Increase)/ decrease in inventories

PARTICULARS		For the year ended 31.03.2014 (Rs.)		For the year ended 31.03.2013 (Rs.)
Inventories at the end of the year				
Work -in -progress				
- Sugar	-	-	19,779,200	
- Molasses in Progress	-	-	1,750,661	21,529,861
Finished goods				
* Main Product				
- Sugar	73,157,536		175,037,734	
- Sugar & Sugar Biss	4,351,844		-	
- Ingot	-		-	
- Runner Riser	15,000		15,000	
	77,524,380		175,052,734	
* By-Product				
- Molasses	11,009,060		22,794,761	
- Bagasse	8,690,000		4,869,825	
	19,699,060	97,223,440	27,664,586	202,717,319
Closing Stock (GROSS)		97,223,440		224,247,180
Less: Excise Duty		4,203,086		10,307,760
Closing stock (NET)		93,020,355		213,939,421
Inventories at the beginning of the year				
Work -in -progress				
- Sugar In Process	19,779,200		18,195,000	
- Molasses in Process	1,750,661	21,529,861	1,454,432	19,649,432
Finished goods				
* Main Product				
- Sugar	175,037,734		349,192,706	
- Sugar(BISS)	-		3,500,000	
- Ingot	-		-	
- Runner Riser	15,000		15,000	
	175,052,734		352,707,706	
* By-Product				
- Molasses	22,794,761		22,226,936	
- Bagasse	4,869,825		14,375,000	
	27,664,586	202,717,319	36,601,936	389,309,642
Opening Stock (GROSS)		224,247,180		408,959,074
*Less: Excise Duty.		10,307,760		16,476,568
Opening stock (NET)		213,939,420		392,482,507
Total (Increase)/ decrease in inventories		120,919,066		178,543,086

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OSWAL OVERSEAS LIMITED

NOTE 23 Employee benefit expenses

PARTICULARS	For the year ended 31.03.2014 (Rs.)		For the year ended 31.03.2013 (Rs.)
Salaries, Wages & contractual labour	17,828,682		20,437,548
Bonus	150,632		346,418
Contribution to provident fund, gratuity & other employee welfare schemes	595,311		663,920
Staff welfare expense	664,200		656,943
TOTAL	19,238,825		22,104,829

NOTE 24 Finance costs

PARTICULARS		For the year ended 31.03.2014 (Rs.)		For the year ended 31.03.2013 (Rs.)
Interest				
- On Term Loans	3,703,786		4,803,390	
- On Working Capital Loans	18,359,883		18,124,848	
- On Unsecured Loans	450,000		937,089	
- Others	94,112	22,607,781	67,513	23,932,840
Bank charges		1,129,127		1,043,804
TOTAL		23,736,908		24,976,644

NOTE 25 Depreciation

PARTICULARS		For the year ended 31.03.2014 (Rs.)	For the year ended 31.03.2013 (Rs.)
Depreciation and amortization expense			
Depreciation of tangible assets		36,458,778	36,556,281
TOTAL		36,458,778	36,556,281

NOTE 26 Other Expenses

PARTICULARS		For the year ended 31.03.2014 (Rs.)	For the year ended 31.03.2013 (Rs.)
* Manufacturing Expenses			
- Repair Plant &		18,233,837	11,411,318
- Process Store		62,864	11,316,600
- Chemical Store		4,721,092	6,558,688
-Transportation Charges		2,753	3,715,052
- Society		103,662	10,343,885
- Others		5,579,931	8,237,010
* Administrative			
-Repairs And Maintenance		1,466,686	1,425,539
-Rent		468,072	534,152
- Travelling &		903,789	1,246,797
-Others		5,983,055	5,429,142
*Selling & distribution Expenses		362,339	1,044,141
* Loss on sale of asset		-	273,527
TOTAL		37,888,079	61,535,851

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27. NOTES ON ACCOUNTS

27.1 Contingent Liabilities:-

Liabilities in respect of Income Tax and Sales Tax have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessment is accounted for in the year in which assessment is complete status of assessments is as under:

- i) Income Tax assessments have been assessed up to the assessment year 2010-11 and there is no outstanding demand in case of completed assessments.
- ii) Sales Tax assessments have been completed up to financial year 2010-11.
The sales tax department has raised the following demanded an account of Entry Tax, purchase tax, penalty etc:
 - a) The ex parte order has been passed for the year 2009-10, and the matter is still pending before the joint commissioner.
 - b) The Sales Tax Department has raised a demand of Rs. 2.14 Lacs (P.Y. 2.14 Lacs) for the year 2005-06 against the company on account of disputed tax on interstate sale of Bagasse. The Company has filed an appeal with the Appellate Authority.
 - c) There are demands for alleged entry tax evasion totaling Rs. 442.7 Lacs against the company relating to various years. Rs. 29.35 Lacs has been deposited with the authorities and the same has been shown under the head Taxes and Duties paid under protest under Long Term Loans & Advances. The company has filed appeals with the appropriate authorities against the demand orders.
 - d) There is Sales tax demand on account sale of molasses and purchase from unregistered dealers of Rs. 4.85 Lacs against the company. An amount Rs. 0.71 Lacs has been deposited with the authorities and the same has been shown under the head Taxes and Duties paid under protest under Long Term Loans & Advances. The company has filed an appeal with the Additional Commissioner I (A), Sales Tax, Bareilly, against the demand order.
 - e) There is a Sales tax Penalty of Rs 0.60 lacs of financial year 2006-07 imposed on the company against Form 'C' issued for the purchase of items not covered in Central Registration Certificate. An amount Rs. 0.30 lacs has been deposited with the authorities and the same has been shown under the head Taxes and Duties under protest under long term loans and advances The case is pending with the Tribunal.
 - f) There is disputed ITC and SIB report demand of Rs. 13.56 Lacs against the company. An amount of Rs. 1.20 Lacs has been deposited with the authorities and the same has been shown under the head Taxes and Duties paid under protest under Long Term Loans & Advances. The company has filed an appeal with the Additional Commissioner I (A), Sales Tax, Bareilly, against the demand order.

h) There is Provisional Assessment of Sales Tax demand raised for F.Y. 2011-12 of Rs. 42.17 Lacs against the company. The company has filed an appeal with the Additional Commissioner I (A), Sales Tax, Bareilly, against the demand order.

i) The Sales Tax Authorities have raised demand against the company for alleged sales tax evasion for financial year 2012-13 which the company provided bank guarantee of Rs. 4.03 Lacs to sale tax authorities against demand raised on account of alleged sales tax evasion The Company has filed appeal with the Additional Commissioner II (A), against the demand order.

iii) The Excise Department has disallowed Cenvat credit on various inputs of amount Rs. 4.67 lacs. The same amount has been shown under the head Taxes and duties deposited under protest under long term loans and advances. The case is pending with the appellate authority.

27.2. Balances of debtors, Creditors, advances and cane growers are subject to respective confirmation and reconcillations.

27.3. In the opinion of the Board of Directors, all the Current Assets, Loans and Advances, if realised in the ordinary course of business, have a value at least equal to the amount at which these are stated in the Balance Sheet.

27.4 Prior Period Expenses

Prior period items include the following:-

Particulars	(In Rs. Lacs) 31.03.2014	(In Rs. Lacs) 31.03.2013
Income	NIL	NIL
Expenses	0.68	0.14

27.5. Excise duty amounting to Rs. 42.03 lacs (Previous year 103.07 lacs) has been added in the closing stock and the same has also been shown as excise duty payable. However, this has no effect on the Loss for the year.

27.6. As per Accounting Standard - 15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard are as follows:

(i) The provision for gratuity as per actuarial valuation is Rs. 11, 96,166.

(ii) The provision for leave encashment as per Actuarial valuation certificate is Rs.3, 19,376/-

Summary of membership data of valuation and statistics based thereon:

Period	As on 31 st March 2014	As on 31 st March 2013
Number of Employees	140	136
Total monthly salary (in Lacs Rs.)	8.02	6.69
Average Age (in years)	40.67	39.84

(Rs. In lacs)

The principal assumptions used in actuarial valuation are as	<u>2013-14</u>		<u>2012-13</u>	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
- Discount rate	8.50%		8.00%	
- Expected rate of return on assets	N.A.		N.A.	
- Expected rate of future salary increase	6.00%		5.50%	
<u>Change in present value of obligations</u>				
- Present value of obligations as at Beginning of the year	2.65	10.43	2.64	10.72
- Interest cost	0.21	0.83	0.21	0.85
- Current service cost	0.97	2.35	0.69	2.35
- Benefits paid	(0.38)	(0.14)	-	(0.14)
- Actuarial loss on Obligations	(0.26)	(1.52)	(0.89)	(1.52)
- Present value of obligations as at closing of the year	3.19	11.96	2.65	10.43
<u>Changes in fair value of plan assets</u>	N.A.	N.A.	N.A.	N.A.
<u>Liability recognized in the Balance Sheet</u>				
- Present value of obligations as at 31-3-2013	3.19	11.96	2.65	10.43
- Fair value of plan assets as at the end of the year	-	-	-	-
-Funded status	(3.19)	(11.96)	(2.65)	(10.43)
- Unrecognized Actuarial (Gain) / Loss	-	-	-	-

- Net (Assets) / Liability recognized in Balance Sheet	(3.19)	(11.96)	(2.65)	(10.43)
<u>Expenses recognized in Profit and Loss Account</u>				
- Current service cost	0.97	2.35	0.69	1.77
- Past service cost	-	-	-	-
- Interest cost	0.21	0.83	0.21	0.86
- Expected return on plan assets	-	-	-	-
- Net Actuarial (Gain) / Loss recognized during the year	(0.26)	(15.82)	(0.89)	(2.14)
- Total Expense recognized in Profit and Loss Account	0.92	1.67	0.01	0.50

27.7. Segment Reporting

Primary Segment

Based on the guiding principles given in the Accounting Standard – 17 “Segment Reporting” issued by ICAI, the Company’s segments are Sugar, Power and Furnace.

Revenue and expenses have been accounted for on the basis of their relationship to the operating activities of the respective segment.

Segment Identification

Business segments have been identified on the basis of the nature of products/services, the risk return profile of individual businesses, the organizational structure and the internal reporting system of the company

Segment Reporting

Particulars	SUSAR		FURNACE		POWER		ELIMINATION		TOTAL	
	31.03.14	31.3.2013	31.03.14	31.03.13	31.03.14	31.03.13	31.03.14	31.03.13	31.03.14	31.03.13
Segment Revenue										
External Sales	3,383.89	8,717.35							3,383.89	8,717.35
Job Work Receipts	-	-	-	-	-	-	-	-	-	-
Inter Segment Sale	-	-	-	-	494.35	-	(494.35)	-	-	-
Total Sales	3,383.89	8,717.35	-	-	494.35	-	(494.35)	-	3,383.89	8,717.35
Less: Excise Duty	188.90	336.84	-	-	-	-	-	-	188.90	336.84
Net Sales	3,205.09	8,378.61	-	-	494.35	-	(494.35)	-	3,205.09	8,378.61
Segment Results										
Operating Profit	(1,105.82)	(263.23)	(14.01)	(16.82)	488.54	(4.38)	-	-	891.38	(314.19)
Less: Unallocated expenditure									88.22	
Less: Interest Expense	218.01	221.81	21.76	26.24					237.37	248.77
Profit Before Tax	(1,302.52)	(514.85)	(35.77)	(44.78)	488.54	(4.38)	-	-	(1,010.87)	(563.81)
Income Tax P&A Years									-	-
Provision for Current Tax									-	-
Deferred Tax Liability									-	(15.89)
FDT written off									-	-
Prior Period Expense									0.86	0.18
Prior Period Income									-	-
WAT Credit Avail									-	-
Profit After Tax									(1,017.05)	(548.07)
Other Information										
Segment Assets	5,074.98	8,483.07	105.73	396.45	831.21	345.08			6,918.92	7,118.89
Unallocated assets	-	-	-	-	-	-	-	-	423.62	423.62
Total Assets									7,342.54	7,542.51
Segment Liability	5,572.48	8,881.44	17.53	180.48	2.32	2.32			6,993.34	8,064.23
Unallocated liabilities	-	-							370.77	81.45
Total Liabilities									7,364.11	8,145.68
Capital Expenditure (Net)	30.55	2.45							60.55	2.45
Depreciation	347.27	348.28	13.00	13.00	3.42	3.42	-	-	364.19	365.58

27.8. Related Party Disclosures:

Disclosures as required by the Accounting Standard -18 "Related Party Disclosures" issued by the ICAI are given below:

A. Relationship

a) Associate Companies

1. M/s Moon Trading Co. Pvt. Ltd.
2. M/s Moon Network Pvt. Ltd.
3. M/s Moon Restaurant. Pvt. Ltd.
4. M/s Moon I.T.Services. Pvt. Ltd.
5. M/s Rajan Hotel Pvt. Ltd.
6. M/s Hotel Yamuna View Ltd.

b) Key Management Personnel:

1. S. Paramjeet Singh – Director
2. S. Manjeet Singh - Director

c) Relatives of Key Management Personnel:

1. S. Mohan Singh - Father of S.Manjeet Singh

B). Transactions with related Parties

(Rs. In Lacs)							
S.No.	Nature of Transactions	Associate Companies'		Key Management Personnel		Relatives	
		Year ended 31-03-14	Period ended 31-03-13	Year ended 31-03-14	Period ended 31-03-13	Year ended 31-03-14	Period ended 31-03-13
1.	Loan Received	1659.75	1145.50	300	-	-	-
2.	Loan Repaid	1647	1165.11	-	-	-	-
3.	Outstanding Balance	12.75	NIL	300	-	0.45	0.45

27.9. Earning per Share

	2013-14	2012-13
(a) Weighted average number of shares at the beginning and end of the year	6461050	6461050
(b) Net profit available for Equity Share Holders (Rs. in lakhs)	(1017.18)	(548.07)
(c) Basic and diluted earnings per shares (Rs.) (Face Value Rs 10/-)	(15.75)	(8.48)

27.10. Deferred Tax

Deferred tax assets (DTA) and liabilities (DTL) are being offset as they relate to taxes on income levied by the same governing taxation laws.

Major components of DTA and DTL:-

		(Rs. in Lakhs)		
		31st March 2014	During the Year	31st March 2013
A	DTL			
	Difference between carrying amount of fixed assets in the financial statements and the income tax return	1545.65	(180.07)	1725.63
	TOTAL "A"	1545.65	(180.07)	1725.63
B	DTA			
	- Amount disallowed U/s 145 A of Income Tax Act	35.63	11.19	24.43
	- Unabsorbed depreciation and business loss	2996.33	804.39	2191.94
	- Expenses\Provisions debited to Profit & loss account but disallowed in the Income Tax Act, 1961	17.00	(3.23)	20.24
	TOTAL "B"	3048.96	812.35	2236.61
	DTA/ (B-A)	1503.40	992.42	510.98
	Tax Impact	464.55	306.66	157.89

As a matter of prudence, deferred tax asset has not been recognised.

27.11. Impairment of Assets

As per Accounting Standard -28 “Impairment of Assets” issued by ICAI, the management has reviewed its cash generating units as on 31.03.2014. No indication has been found by the management to suggest that the recoverable amount of Asset is less than the carrying amount. Hence no impairment loss on asset has been recognized

27.12. The Movement of Provisions as required by Accounting Standard (AS – 29) “Provisions, Contingent Liabilities and Contingent Assets” issued by ICAI is as follows:

Particulars	(Rs. in Lakhs)			
	Opening Balance as on 01.04.2013	Additions during the year	Paid/ Reversed	Closing Balance As on 31.03.2014
Provision for leave encashment	2.65	0.54	NIL	3.19
Provision for Gratuity	10.43	1.53	NIL	11.96

27.13. Derivatives instruments and unhedged foreign currency exposure

Particulars	31.03.2014	31.03.2013
Unhedged foreign currency exposure	Nil	Nil

27.14. In view of insufficient information from the suppliers regarding their status as Small, Micro & Medium Enterprises, amount over due to such undertakings can not be ascertained. However, the company has not received any claim in respect of interest on such dues.

27.15. Auditors Remuneration	31.03.2014 (Rs. in lakhs)	31.03.2013 (Rs. in lakhs)
Audit Fees	1.00	1.00
Taxation Matters	0.25	0.25
Reimbursement of expenses	0.15	0.15
Service Tax	0.15	0.15

27.16. Foreign currency details:

Particulars	(Rs. in Lakhs)	
	31.03.2014	31.03.2013
Expenditure in Foreign Currency	Nil	Nil
CIF Value of imports-Raw Materials	Nil	Nil

Earning in Foreign Exchange	Nil	Nil
FOB Value of Exports	Nil	Nil
Capital Goods Imported	Nil	Nil

27.17. Consumption of Raw Materials and Stores and Spares

	31.03.2014		31.03.2013	
	(Rs. in Lakhs)	% age	(Rs. in Lakhs)	% age
a) Raw Material				
Imported	--	--	--	--
Indigenous	1844.46	100.00	5716.60	100.00
Total	1844.46		5716.60	
b) Stores & Spares				
Imported	--	--	--	--
Indigenous	156.06	100.00	65.80	100.00
Total	156.06	100.00	65.80	100.00
c) Packing Material	112.47	100.00	112.95	100.00

27.18 As per Tripartite agreement between the company, bankers and the individual farmers, banker disburses the crop loan to farmers through the company and the company provides guarantee to the Bank on behalf of farmers for repayment of loan with interest. The crop loans outstanding as at the end of the financial year were Rs 265.41Lacs (P.Y.342.91 Lacs)

27.19. Previous year figures have been recasted/ regrouped/ rearranged wherever necessary to make them comparable with that of current year.

For KANSAL SINGLA & ASSOCIATES
Chartered Accountants

Place: Delhi
Date: 28.05.2014

Sd/-
(CA. S.K.ARORA)
PARTNER
MNO.070405
FRN: 003897N

Oswal Overseas Limited

CIN: L74899DL1984PLC018268

Registered Office: 72, Ground Floor,

Taimoor Nagar, New Delhi- 110065,

Phone: (011)26322664,

Fax: (011)26332465,

Email: companysecretary@oswaloverseasltd.com

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Shareholder/Proxy	
Address	
Email-id:	
Folio No./Client ID:	
DP ID:	

I/We, being the member (s) of shares of the above named company, hereby appoint :

- | | | |
|-----------|------------|-----------------|
| 1. Name: | Address: | |
| E-mail Id | Signature: | or failing him; |
| 2. Name: | Address: | |
| E-mail Id | Signature: | |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on Monday, the 29th September, 2014 at 12.30 pm at 72, Ground Floor, Taimoor Nagar, New Delhi-110065 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution	Optional	
		For	Against
	Ordinary Business		
1	Adoption of Financial Statements for the year ended 31st March, 2014		
2	Re-appointment of Shri Paramjeet Singh who retires by rotation		
3	Re-appointment of M/s M/s Kansal Singla & Associates, Chartered Accountants, as Statutory Auditors and fixing their remuneration		
	Special Business		
4	Regularization of Mr. Harihar Nath Sharma as Director		
5	Regularization of Ms. Anjul Agarwal as Director		
6	Re-appointment of Shri Manjeet Singh as Managing Director		

Signed this..... day of..... 2014

Signature of shareholder:

Signature of Proxy holder(s):



Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Oswal Overseas Limited

CIN: L74899DL1984PLC018268

Registered Office: 72, Ground Floor,

Taimoor Nagar, New Delhi- 110065,

Phone: (011)26322664,

Fax: (011)26332465,

Email: companysecretary@oswaloverseasltd.com

ATTENDANCE SLIP

<i>Name of the Shareholder/Proxy</i>	
<i>Address</i>	
<i>Email-id:</i>	
<i>Folio No./Client ID:</i>	
<i>DP ID:</i>	

I hereby record my presence at the **30th Annual General Meeting** of the Company held on Monday, the 29th September, 2014 at 12.30 pm at 72, Ground Floor, Taimoor Nagar, New Delhi-110065.

...

Signature of Shareholder / Proxy

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HAND OVER AT THE ENTRANCE DULY FILLED IN.

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