OSWAL OVERSEAS LIMITED

2010-11

27th ANNUAL REPORT

OSWAL OVERSEAS LIMITED

BOARD OF DIRECTORS

1.	Sh. Paramjeet Singh	Managing Director & CEO
2.	Sh. Manjeet Singh	Director
3.	Sh. Preveen Kumar Varshney	Director
4.	Sh. Satnam Singh Arora	Director

COMPANY SECRETARY

Sh. Sanjiva Gaur

AUDITORS

KANSAL SINGLA & ASSOCIATES
Chartered Accountants,
SCO- 80-81, Sector – 17 C,
Chandigarh – 16 00 17

BANKERS

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

REGISTERED OFFICE

K-185/1, 3rd Floor, Surya Plaza Bldg.,
Sarai Jullena, Opp: New Friends Colony,
New Delhi- 110025

WORKS

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

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OSWAL OVERSEAS LIMITED

Regd. Office :K-185/1, 3rd Floor, Surya Plaza Bldg.,
Sarai Jullena, Opp: New Friends Colony.
New Delhi- 110025

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of the Company will be held as scheduled below:

Day	:	**Tuesday**
Date	:	**27th September, 2011**
Time	:	**12.30 p.m.**
Place	:	**K-185/1, 3rd Floor, Surya Plaza Bldg., Sarai Jullena, Opp : New Friends Colony. New Delhi- 110025**

To transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date with the report of the Directors and Auditors thereon.

2. To consider re-appointment of Sh. Satnam Singh Arora as Director, who retires by rotation. He is eligible and offers himself for the re-appointment.

3. To consider and if thought fit, to pass with or without modification, the following as an Ordinary Resolution :

   "Resolved That M/s Kansal Singla & Associates, Chandigarh be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and the Board of Directors be and are hereby authorized to fix their remuneration."

AS SPECIAL BUSINESS:

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

   "RESOLVED THAT pursuant to provisions of Sections 198, 269, 309, 310 read with Schedule XIII and such other applicable provisions, if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) read with Article 108 of the Articles of Association, the consent and approval of the Company be and is hereby accorded to the appointment of Sh. Manjeet Singh as Managing Director of the Company for a period of 3 years, with

OSWAL OVERSEAS LIMITED

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Sarai Jullena, Opp: New Friends Colony.
New Delhi- 110025

effect from 12/08/2011 on the terms & conditions as mentioned in the Explanatory statement annexed thereto."

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

Sanjiva Gaur

Sanjiva Gaur
Company Secretary

Place: New Delhi
Dated: 12/08/ 2011

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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

2. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2011 to 27th September, 2011 (both days inclusive).

3. 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.

4. 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.

5. 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.

6. 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.

7. In terms of Section 109A of the Companies Act, 1956, 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. 2B in their own interest.

OSWAL OVERSEAS LIMITED

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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.

8. 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.

EXPLANATORY STATEMENT
(Pursuant to Section 173(2) of the Companies Act, 1956)

Item no. 4:

APPOINTMENT OF SH. MANJEET SINGH AS MANAGING DIRECTOR:

It was noted that in due compliance of Section 269, Schedule XIII and other applicable provisions of Clause-49 of the Listing Agreement relating to the Corporate Governance, a Managing Director be appointed for the execution of core financial, commercial & other activities of the relevant industry and devoting the optimum time with Sugar and Furnace division, be considered for the said purpose.

Terms & Conditions:

Terms & Conditions :

1. Period of Appointment: Three years with effect from 12/08/2011.

2. Remuneration : In terms of Schedule XIII of the Companies Act, 1956 read together with Section 198 & 309 of the Companies Act, 1956, 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 health insurance, group saving linked insurance and life insurance coverage for self/family as may be fixed by the Board from time to time.

e) 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 profits in any financial year, during the terms of office of the Managing Director, the remuneration by way of salary, perquisites, commission and other benefits shall not, without the permission of Central Government (if required) exceed the limits prescribed under the Act including Schedule XIII thereof and Rules made hereunder or any amendment, modification, variation or re-enactment thereof.

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

Sanjiva Gaur

Sanjiva Gaur
Company Secretary

Place: New Delhi
Dated: 12/08/ 2011

OSWAL OVERSEAS LIMITED

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 27th Annual Report, together with the Audited Accounts of your Company for the year ended 31st March, 2011:

1. FINANCIAL RESULTS

(Figs. in Lacs)

Particulars	2010-11	2009-10
Sales and other Income	7400.87	7604.62
Increase/Decrease in WIP and Finished Goods	1123.08	2576.90
Government Subsidy	--	--
Profit before Depreciation, Interest and Taxes	739.39	760.13
Financial Charges	384.58	193.14
Depreciation	335.52	312.30
Profit before Tax	19.29	254.69
Provision for Tax	(4.41)	(50.58)
Provision - Deferred Tax Assets/ (Liability)	18.91	(92.68)
Wealth Tax? Prev. year taxes	(8.59)	(0.11)
MAT Credit of CY & FY	4.41	106.89
Profit after Tax	29.61	218.19
Carried Forward Losses	Nil	212.02
Surplus carried to Balance Sheet/ Loss carried forward to B/S	29.61	6.17
Dividend	Nil	Nil

2. OPERATIONAL PERFORMANCE:

Particulars	2010-11	2009-10
Sugar Division		
Start of crushing season	07/12/2010	30/11/2009
Close of crushing season	25/03/2011	21/03/2010
Duration (Days)	108	112
Recovery (%)	8.68	8.60
Cane crushed (Lakh Qtls)	27.38	30.87
Production (Qtls.)		
White Sugar (Qtls)	236645	264651
BISS Sugar (Qtls)	1200	750
Molasses (Qtls)	150145	159410
Furnace Division		
Production (Tonnes)-MS Ingots	3459.39	3484.93

3. OPERATIONS:

Total Income of the Company has marginally decreased from 7604.62 Lac (09-10) to Rs. 7400.87 Lac (10-11), (approx. 2.68%). The Net Profit in the current year was Rs.29.61 Lac as against Rs. 218.19 Lac of the previous year. The Furnace Division has shown a marginal decrease in the production from 3484.93 (Tonnes) (FY, 10) to 3459.39 (Tonnes) in the Current Year, (FY, 11). A surplus of Rs. 29.61 lacs was carried forward to the Balance Sheet.

4. DIVIDEND:

Due to marginal profit, the Company has not recommended 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 M.K. Singhal & Co., Cost Accountants , Modinagar, dated 26/06/2011 has been obtained for our records.

In due compliance of the Circular no. 52/26/CAB-2010 dtd. 02/05/2011, the Company vide its Resolution passed at the Board Meeting held on 12/08/2011, appointed M/s Vijay Kumar & Associates, Cost Accountants, New Delhi for the FY 2011-12.

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 11 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 accordance with the limits specified in section 224 (IB) of the Companies Act, 1956 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 part of the Report.

10. DIRECTORS :

(i) Retirement by Rotation:

In accordance with the requirement of the Companies Act, 1956 and the Articles of Association of the Company, Sh. Satnam Singh Arora 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 under section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that

i. in the preparation of the annual accounts the applicable accounting standard 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 31st March, 2011 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
OSWAL OVERSEAS LIMITED

Place : New Delhi
Dated: 12/08/ 2011

Paramjeet Singh (Director)

Manjeet Singh (Director)

OSWAL OVERSEAS LIMITED

ANNEXURE TO THE DIRECTORS' REPORT FOR THE PERIOD 2010-11

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 2011.

1. 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 generation. The Company has also made standby 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 2010-11	Previous Year 2009-10
a) *Units Purchased*	76620	80559
Total Amount (Rs.)	478086	423675
Rate per Unit (Rs.)	6.23	5.25
b) Own Generation		
i) Trough Diesel Generator Units	260076	234222
Units Per liter of diesel oil (Rs.)	2.08	2.32
Cost per unit (Rs.)	18.19	13.79
ii) Through Turbine (Units)	10727970	11207904
CONSUMPTION PER UNIT OF PRODUCT		
i. Electricity (KW/MT)	464.81	434.08
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	1857780/-	16599028/-

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) 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.	Nil	Nil
iii. Amount incurred on Research & Development	Nil	Nil
b) **Technology absorption, adoption and Innovation :**		
i) Latest technology has been adoption in the plant to maximize consumption of energy.	Nil	Nil
ii) Technology Imported	Nil	Nil
FOREIGN EXCHANGE EARNING & OUTGO :		
i) Foreign Exchange Earnings (Rs. In Lacs)	Nil	Nil
ii) Foreign Exchange Outgo (Rs. In Lacs)	Nil	Nil

for and on behalf of the Board of Directors
OSWAL OVERSEAS LIMITED

Paramjeet Singh (Director)

Manjeet Singh (Director)

Place : New Delhi
Dated: 12/08/ 2011

OSWAL OVERSEAS LIMITED

Regd. Office: K-185/1, Surya Plaza Building, 3rd Floor
Sarai Jullena, (Opp New Friends Colony) NEW DELHI-110025
Phone: 011-26332465, Fax: 011-26322664
e-mail: oolsugardelhi@rediffmail.com

The Board of Directors,
Oswal Overseas Limited,
New Delhi.

Re: Financial Statements for the year ended 31st March, 2011 Certificate by CEO

I, Manjeet Singh, CEO of Oswal Overseas Limited, on the basis of the review of the financial statements and the cash flow statement for the year ended 31st March, 2011 and to the best of my knowledge and belief, hereby certify that:

1. These statement do not contain any materially untrue statements or omit 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, 2011 which, are fraudulent, illegal or violative 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 I have taken or propose to take 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 instances 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.

Manjeet Singh

Manjeet Singh
CEO

Place : New Delhi
Dated : 12/08/2011

Mills at : Village Aurangabad, The. Nawabganj, P.O. Giram Distt. Bareilly (U.P.)-262407
Phone: 05825-226551, (M) 09997300551-552, Fax: 05825-226753
E-mail: oolsugarsite@rediffmail.com

REPORT ON CORPORATE GOVERNANCE

As per suggested Annexure I-C of Clause 49 (VI)

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 disclosure 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 Disclosure of relevant information.

(iv) Compliance of the conditions of Corporate Governance & its full disclosure.

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, 2011 out of which 2 are independent and non-executive Directors which is in due compliance of Clause 49 of the Listing Agreement.

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 attended	Relationship among the directors	No. of Board Meeting attended out of 4 meetings held during the year.	No. of other Directorships(excluding foreign Companies & Pvt. Ltd. Companies)	Committee (including Oswal Overseas Ltd.)	Positions held
						Chairman	Member
Sh. Paramjeet Singh	Executive/ Non-Independent	Yes	Brother of Sh. Manjeet Singh	4	1	--	3
Sh. Manjeet Singh	Executive/ Non-Independent	No	Brother of Sh. Paramjeet Singh	--	2	--	--

Sh. Preveen Kumar Varshney	Non-Executive/Independent	No	--	4	--	1	3
Sh. Satnam Singh Arora	Non-Executive/Independent	No	--	4	--	2	3

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	--

Number of Board Meetings held and dates thereof

During the financial year 2010-11, four meetings of the Board of Directors were held as follow:

(i) 14/05/2010 **(ii)** 27/07/2010 **(iii)** 31/10/2010 **(iv)** 30/01/2011

3. BOARD COMMITTEES

Presently the Board has three Committees as follows:

S. No.	Committees	Members (Position)
1	**Audit Committee**	(i) Sh. Preveen Kumar Varshney, Chairman (ii) Sh. Paramjeet Singh, Member (iii) Sh. Satnam Singh Arora, Member
2.	**Remuneration Committee**	(i) Sh. Satnam Singh Arora, Chairman (ii) Sh. Paramjeet Singh, Member
3.	**Shareholders Grievance Committee**	(i) Sh. Satnam Singh Arora, Chairman (ii) Sh. Paramjeet Singh, Member

REPORT ON CORPORATE GOVERNANCE

i. Attendance Record of Audit Committee:

S. No.	Name of the Director	Designation	Committee Meeting attended during the year (nos.)
1)	Sh. Preveen Kumar Varshney,	Chairman	4
2)	Sh. Paramjeet Singh	Member	4
3)	Sh. Satnam Singh Arora	Member	4

During the financial year 2010-11, the Audit Committee met four times on the following dates:

(i) 14/05/2010 **(ii)** 27/07/2010 **(iii)** 31/10/2010 **(iv)** 31/01/2011

ii. Attendance Record of the Remuneration Committee:

S. No.	Name of the Director	Designation	Committee Meeting attended during the year (nos.)
1)	Sh. Satnam Singh Arora	Chairman	1
2)	Sh. Paramjeet Singh	Member	1
3)	Sh.Uday Shankar Singh	Member	1

During the financial year 2010-11, one meeting of the Remuneration Committee was held on 15/03/2011.

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, 2011.

iii. Constitution/Composition of the Shareholders Grievance Committee:

The Shareholders' Grievance Committee comprises of Sh. Satnam Singh Arora as Chairman and Sh. Paramjeet Singh as members. 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 2010-11, one meeting of the Shareholders Grievance Committee was held on 15/03/2011.

No complaint 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.

REPORT ON CORPORATE GOVERNANCE

4. GENERAL BODY MEETING

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

Year	Venue	Date	Time
2008	K-185/1, Surya Plaza Bldg. Sarai Jullena, Opp: New Friends Colony, New Delhi-110025	15th September, 2008	12.30 p.m.
2009	K-185/1, Surya Plaza Bldg. Sarai Jullena, Opp: New Friends Colony, New Delhi-110025	25th September 2009	12.30 p.m.
2010	K-185/1, Surya Plaza Bldg. Sarai Jullena, Opp: New Friends Colony, New Delhi-110025	25th September 2010	12.30 p.m.

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

Sr. No.	Year	U/S	Purpose
1.	2008	31	Addition/Deletion of the Clauses of Articles of Association
2.	2009	NIL	NIL
3.	2010	NIL	NIL

5. DISCLOSURE :

i. Disclosure 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

ii. Details of non-compliance by the Company, penalties, stricture 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 :

27th Annual General Meeting : Tuesday, 27th September, 2011 at 12.30 P.M at K-185/1, 3rd Floor, Surya Plaza Bldg., Sarai Jullena, Opp: New Friends Colony. New Delhi- 110025.

REPORT ON CORPORATE GOVERNANCE

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

B. Book Closure : Saturday, 24th September, 2011 to Tuesday 27th September, 2011

C. Dividend Payment Date

As no dividend for the year 2010-11 was recommended by the Board of Directors, hence no disclosure for the same is required.

D. Tentative Financial Calendar (2010-2011)

Results for the first Quarter (June, 30th)	:In the Month of July, 2010
Results for the second Quarter (September, 30th)	:In the Month of October, 2010
Results for the third Quarter (December 31st)	:In the Month of January, 2011
Results for the fourth Quarter (March 31st)	:In the Month of May, 2011

F. 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 OOVR). 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 2011-12.

G. 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 these Stock Exchanges due to pendency of at least 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.

H. Registrar and Transfer Agent :

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
Tel. 011-29961281, Fax. 011-29961284
Website : www.Beetalfinancial.com

I. 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 and 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: 2
2. Consolidation of Shares: 11

J. Distribution of Shareholding

The Distribution of shareholding as on March 31, 2011, was as follow:

No. of Shares held	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	258	80.63	48000	0.74
501-1000	22	6.88	20450	0.32
1001-2000	5	1.56	6050	0.09
2001-3000	2	0.63	5500	0.09
3001-4000	1	0.31	4000	0.06
4001-5000	0	0	0	0
5001-10000	3	0.93	23600	0.36
10001 and above	29	9.06	6353450	98.34
Total	**320**	**100**	**6461050**	**100**

Held by	No. of shares	% holding
Promoters		
-Individual	4838950	74.89
-Private Corporate Bodies	0	0
Indian Public		
-Individual	1621400	25.10
-Private Corporate Bodies	700	0.01
Total	**6461050**	**100.00**

K. 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, 2011, 74.90% (48,39,700 equity shares) of the share capital of the Company had been dematerialized.

L. 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.

M. 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 205 C of the Companies Act, 1956.

N. 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:

Works :

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

Registered Office:

K-185/1, 3rd Floor, Surya Plaza Bldg.,
Sarai Jullena, Opp: New Friends Colony.
New Delhi- 110025

O. Address for Correspondence :

Oswal Overseas Limited
K-185/1, 3rd Floor, Surya Plaza Bldg.,
Sarai Jullena, Opp: New Friends Colony,
New Delhi- 110025

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.

REPORT ON CORPORATE GOVERNANCE

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, 2011

Place : New Delhi
Date : 12/08/2011

Managing Director & CEO
OSWAL OVERSEAS LIMITED

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

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, 2011, 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

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

(S.K. Arora)
Partner
M.N. 070405

Place : Chandigarh
Date : 12/08/2011

MANAGEMENT'S DISCUSSION & ANALYSIS

Forming Part of Directors' Report for the year ended 31st March, 2011

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MANAGEMENT'S DISCUSSION & ANALYSIS
Forming Part of Directors' Report for the year ended 31st March, 2011

1. OVER VIEW

Sugar industry is the largest agro-based industry located in the rural India. About 45 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 2010-11

Total Income of the Company has marginally decreased from 7604.62 Lac (09-10) to Rs. 7400.87 Lac (10-11), (approx. 2.68%). The Net Profit in the current year was Rs.29.61 Lac as against Rs. 218.19 Lac of the previous year. The Furnace Division has shown a marginal decrease in the production from 3484.93 (Tonnes) (FY, 10) to 3459.39 (Tonnes) in the Current Year, (FY, 11). A surplus of Rs. 29.61 lacs was carried forward to the Balance Sheet.

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 11 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 networth.
- ✓ 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 an 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 2010-11 has been marginally decreased by 2.68 % over the previous year to Rs. 7400.87 Lac (PY Rs. 7604.61 Lac) while the net earnings after tax were at Rs.29.61 Lac in FY 11 in comparison of Rs. 218.20 Lac in the FY, 10. EBDITA was at Rs. 739.39 Lac in FY 11 (2.73 % 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, 11.

10. RESERVE

OOL Free Reserves stood at Rs. 1642.43 Lac in FY' 11 in comparison to FY' 10 Rs. 1610.48 Lac

11. LOANS:

Total debt outstanding as on 31st March, 11 is as follows:

Sr. No.	Name of Banks/ FIs	Amount O/S as at 31st

		March, 11
(i)	SBI- Cash Credit	934.42
(ii)	Axis Bank- Stock pledged	1385.07
(iii)	IDBI- Stock pledged	405.15
(iv)	SBOP- Stock Pledged	1436.88
(v)	SDF	232.50
(vi)	SBI- Term Loan	160.30
(vii)	Term Loans (Cars & Tractor Trolla)	133.72

During the current year, there was a net addition of Rs. 1428.71.04 Lac of debts (Secured Loan) mainly due to New Short Term Loan from SBOP, Term Loan from SBI. The Unsecured Loan during the FY, 10 (Rs. 1638.97 Lacs) decreased marginally by Rs. 36.68 Lacs in comparison to PY, 09 (Rs. 1675.65 Lacs).

The debt/Equity ratio is 2.04 : 1 and interest service cover ratio of 1.06 places the Company in a prudent & comfortable position.

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 increased from Rs. 193.14 Lac in FY's 10 to Rs. 384.58 Lac in FY's 11, representing an increase of 99.12%, primarily on account of a rise in overall debt level through CC limit. Interest cost on an average was 16.00% in FY 11.

(ii) **Capital Expenditure** : Gross Block of Fixed Assets of the Company was Rs. 7221.32 Lac in FY's 10 in comparison of Rs. 7837.04 Lac in FY's 11. There was an investment Rs. 615.72 during the FY's 11.

(iii) **Depreciation** : Depreciation increased by Rs. 23.21 lac in FY's 11 in comparison to previous year.

(iv) **Working Capital Management** : The overall net working capital was 56.23% of the revenues in FY's 11. It was increased from Rs. 2733.31 to Rs. 4162.02Lac in the current year (FY 11).

(v) **Debtors** : Substantial Sugar Sales are on the cash basis , hence receivables cycle is very nominal. Debts for more than six months marginally increased by 6.96% in FY's 11 to Rs. 42.08 Lac compared to PY 10 of Rs. 39.34 Lac. This comprises 19.88% of total receivables as on 31st March, 11 against 11.36% on 31st March, 10.

(vi) **Loans & Advances** : In FY's 11, loans & advances stood at Rs. 996.40 Lac, compared to Rs. 591.22 Lac in FY's 10.

(vii) **Capital Employed** : The total capital employed increased from Rs.7040.59 Lac in FY's 10 to Rs. 7867.29 Lac in FY's 11, an increase of 11.74%.

(viii) **Management of Surplus Funds** : PAT & a surplus of Rs. 29.61 lacs were carried forward to the Balance Sheet.

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 cyclicality, 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.

To mitigate the risk our Company has adopted a diversified model comprising Sugar and furnace to minimize the inherent risk of cyclicality 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 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.

For OSWAL OVERSEAS LTD.

For OSWAL OVERSEAS LTD. For OSWAL OVERSEAS

DIRECTOR DIRECTO

4 Further to our comments in Annexure referred to in paragraph 3 above, 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, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.

d. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3C of section 211 of the Companies Act, 1956.

e. On the basis of the written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011,

b. in the case of the Profit and Loss Account, of the Profit for the year ended on that date and

c. in case of Cash Flow Statement of the Cash Flow for the year ended on that date.

for KANSAL SINGLA & ASSOCIATES,
Chartered Accountants

KANSAL SINGLA & ASSOCIATES Chartered Accountants

CA. S.K. KANSAL
PARTNER
M.NO.080632
FRN – 003897 N

PLACE: NEW DELHI
DATE : 12/08/2011

KANSAL SINGLA & ASSOCIATES
CHARTERED ACCOUNTANTS
(SINCE 1983)

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AUDITOR'S REPORT

The Members of
OSWAL OVERSEAS LIMITED
NEW DELHI

Dear Members,

1. We have audited the attached Balance Sheet of OSWAL OVERSEAS LIMITED as on 31st March, 2011, Profit & Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

Annexure referred to in paragraph 3 of our report of even date.

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

(b) All the assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its Fixed Assets. No material discrepancies were noticed on such verification.

(c) During the year, the Company has not disposed off any substantial part of its fixed assets so as to affect its going concern status.

(ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(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. As explained to us, 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.

(iii) (a) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the register covered in the register maintained under section 301 of the Companies Act 1956.

(b) The Company has taken unsecured loan from nine parties covered under Section 301 of the Companies Act, 1956, pursuant to the stipulation imposed by the banks and

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

financial institutions. The maximum amount outstanding during the year is Rs.1408.65 lacs(P.Y.- 1697.85) and year-end balance is Rs.7[illegible]3.40 lacs (P.Y - 1491.35)

(c) In our opinion and according to information given to us, the terms and conditions of loans taken by the Company are not prima facie prejudicial to the interest of the Company.

(d) No repayment schedule has been specified on these loans.

(e) In view of Para. (c) above there is no overdue amount of loan taken from the party as listed u/s 301 of the Companies Act, 1956.

(iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

(v) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contract or arrangement entered in the register maintained under Section 301 of the Companies Act 1956, have been made at prices which are reasonable having regard to the prevailing market price at relevant time.

(vi) In our opinion and according to the information and explanations given to us, the Company had not accepted Unsecured Loans in contravention of the provisions of sections 58A of the Companies Act 1956.

(vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

(viii) According to the information and explanations given to us, the Central Government has prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act 1956 for the sugar division. We have broadly reviewed these accounts and records maintained by the Company and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records with a view of determining whether they are accurate or complete.

As explained to us no cost records under section 209 (1) (d) of the Companies Act 1956 have been specified for Furnace division and Power Division.

(ix) (a) The Company is generally regular in depositing with appropriate authorities 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 to it except some minor delays. According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, sales tax, service tax, customs duty and excise duty and cess were in arrears, as at 31st March, 2011 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are dues of sales tax, excise duty and cess which have not been deposited due to dispute which is as per **Annexure I** to the report and there are no outstanding dues of income tax, service tax, customs duty and wealth tax which have not been deposited due to dispute.

(x) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, as on the date of balance sheet there is no continuing default in repayment of dues to banks.



(xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.

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

(xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

(xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.

(xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties covered in the register maintained under section 301 of the Act.

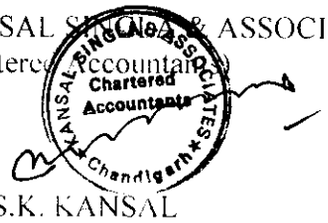
(xix) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.

(xx) According to the information and explanation given to us, during the period covered by our audit report, the Company has not raised any money by public issue.

KANSAL SINGLA & ASSOCIATES
Chartered Accountants
Chandigarh

(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

for KANSAL SINGLA & ASSOCIATES,
(Chartered Accountants)



CA. S.K. KANSAL
(PARTNER)
M.NO. 080632
FRN – 003897 N

PLACE: NEW DELHI
DATE : 12/08/2011

Annexure 1 to the Audit Report of Oswal Overseas Ltd.

Case	Amount Involved (Rs in lacs)	Amount Deposited (Rs in lacs)	Remarks
SALES TAX			
F.Y 2000-2001 (Entry Tax)	10.00	-	Case quashed by the High court, deptt. File SLP in Supreme Court. Decision/Order of Apex Court is still pending.
F.Y 2003-04 (Entry Tax)	8.00	-	Stay taken from Dy Commissioner of Sales Tax (Appeal). Matter to be taken up after decision of supreme court.
Sales Tax Deposited under protest	8.96	8.96	Sales tax Deposited under protest against Exemption U/s 4A. Case still pending.
F.Y 2004-05 Entry Tax on Sugar Sale within U.P	63.82	-	Reassessed u/s 30, appeal filed before Jt. Commissioner Appeal & stay taken from High Court on 29.05.2009.
F.Y. 2004-05 Penalty for issuance of Form C	1.10	0.50	Appeal filed before Jt. Comm. (Appeal) & 55% stay was granted on 18.12.2008.

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

F.Y. 2005-06 - CST & Intt. on sale of Molasses	2.14		Intt. Charge on central sale of bagasse (unrealized tax from the customer).F.Y. 2005-06
F.Y. 2005-06 (UPTT on sale of Molasses)	3.52	0.72	Stay granted by the Tribunal for Tax Charged on sale of Molasses (unrealized tax from the customer).
F.Y. 2005-06 Penalty for issuance of Form C	0.74	0.34	stay granted by the Tribunal on dt. 27.03.10
F.Y. 2005-06 (Entry Tax)	99	0.00	Appeal filed before the Tribunal which is pending.
F.Y 2006-07 (Entry Tax)	76.17	0.00	Stay by High Court on Dt. 29.05.2009
F.Y. 2001-02 (Entry Tax)	60.05	0.00	Stay By High Court on Dt. 03.02.2004
F.Y 2002-03 (Entry Tax)	35.05	0.00	Stay By High Court on Dt. 18.10.2006
F.Y.2006-07 (CST u/s 10A/10B)	0.61	0.30	Appeal filed before Jt. Comm. (Appeal) & 50% stay was granted.
F.Y. 2006-07 (Penalty u/s 15A(1))	2.69	1.34	Appeal filed before Jt. Comm. (Appeal) & 50% stay was granted.
F.Y. 2008-09 (Penalty)	0.48	0.48	Dy. Commissioner of Sales Tax Assessment, forfeited security taken by Sachal Dal, matter pending with Addtnal Comm.

KANWAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

F.Y-2007-08 (UPTT on evasion report of SIB)	10.50	-	Appeal filed with additional commissioner.
F.Y.-2007-08 (Entry Tax)	74.82	-	Stay by High Court on Dt. 29.05.2009
Excise Matters			
F.Y 2003-04 (Molasses Storage Loss of 1524.35 Quintals) Demand	0.76	-	Appeal Filed with Commissioner Appeals and also stay Application filed with Tribunal.
F.Y 2004-05 (Molasses Storage Loss of 1320 Quintals) Demand	1.01	-	Appeal Filed with Commissioner Appeals on 22.02.2007 and Stay Application is to be filed with Tribunal .
In respect of Water and Pollution Matter	1.00	-	Counter Guarantees given by the Company to the U.P. Pollution Board.



OSWAL OVERSEAS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULES	AS AT 31.03.2011 (Rs.)		AS AT 31.03.2010 (Rs.)	
SOURCES OF FUNDS					
Shareholders Funds					
(a) Share Capital	I	64,610,500		64,610,500	
(b) Reserves & Surplus	II	164,242,681		161,047,695	
Loan Funds					
(a) Secured Loans	III	468,854,397		314,503,359	
(b) Unsecured Loans	IV	89,021,253		163,897,253	
Deferred Tax Liability		9,043,746		10,935,067	
	TOTAL	795,772,577		714,993,874	
APPLICATION OF FUNDS					
Fixed Assets	V				
Gross Block		783,704,047	722,131,767		
Less: Depreciation		389,343,575	356,212,894		
Net Block		394,360,472	365,918,873		
Capital Work in Progress		2,409,733	396,770,205 1,187,624		367,106,497
Current Assets, Loans & Advances	VI				
(a) Inventories		558,111,589	441,809,077		
(b) Sundry Debtors		21,171,316	34,634,273		
(c) Cash & Bank Balances		83,977,531	56,128,045		
(d) Loans & Advances		99,640,150	59,119,827		
		762,900,585	591,691,222		
Current Liabilities & Provisions	VII	363,898,213	243,803,845		347,887,377
	TOTAL	399,002,372 795,772,577			714,993,874
Significant Accounting Policies and Notes to Accounts	XV				

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

Sanjiva Kumar
(COMPANY SECRETARY)

PRADEEP KUMAR
(MANAGER - F&A)

Paramjeet Singh
PARAMJEET SINGH
(MANAGING DIRECTOR & CEO)

Manjeet Singh
MANJEET SINGH
(DIRECTOR)

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

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

(CA. S.R. KANSAL)
PARTNER
M.No. 080632
FRN 003897N

Place: NEW DELHI
Date: 12/08/2011

OSWAL OVERSEAS LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March,2011

PARTICULARS	SCHEDULES	2010-11 (Rs.)		2009-10 (Rs.)	
INCOME					
Sales (Gross)	VIII	778,692,537		795,021,248	
Less: Excise Duty		41,051,793	737,640,744	37,843,823	757,177,425
Misc. Income	IX		2,446,337		3,284,080
Increase/(Decrease) in stock of Finished goods			133,670,492		274,742,505
Excise duty on Closing stock			(21,362,509)		(17,052,747)
	TOTAL		852,395,064		1,018,151,263
EXPENDITURE					
Raw Materials Consumed	X		673,018,926		836,367,341
Manufacturing Expenses	XI		51,982,519		47,306,560
Employment Expenses	XII		30,441,802		24,680,923
Administrative & Selling Expenses	XIII		22,539,696		32,408,493
Financial Expenses	XIV		38,457,815		19,314,257
Depreciation	V		33,551,565		31,230,488
	TOTAL		849,992,322		991,308,063
Profit/(Loss) for the year			2,402,741		26,843,200
Prior Period Expenses			(239,550)		(253,976)
Prior period Income on account of reversal of Provisions			-		299,748
Transferred to Reserve for Molasses Storage Fund			(234,469)		(1,419,874)
Net Profit/(Loss) for the year			1,928,722		25,469,098
Less:					
Income Tax (Prior Period)			843,488		2,658
Income Tax (Current Year)			441,115		5,058,140
Wealth Tax			16,038		11,191
Deferred Tax Liability			(1,891,321)		9,267,867
Add: MAT credit			441,115		5,058,140
Add: MAT credit (Previous Years)			-		5,631,374
Net Profit after tax			2,960,517		21,818,755
Balance Brought Forward			617,020		(21,201,735)
Profit/Loss carried to Balance Sheet			3,577,537		617,020
Earnings Per share(Face Value Rs. 10/-)					
Basic & Diluted			0.46		3.38
Significant Accounting Policies and Notes On Accounts	XVI				

The schedules referred to above form an integral part of the Profit & Loss Accounts.

SANJIV GAUR	PRADEEP KUMAR	PARAMJEET SINGH	MANJEET SINGH
(COMPANY SECRETARY)	(MANAGER - F&A)	(MANAGING DIRECTOR & CEO)	(DIRECTOR)

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

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

(CA. S.K. KANSAL)
PARTNER
M.No. 080632
FRN 003897N

Place: NEW DELHI
Date: 12.08.2011

OSWAL OVERSEAS LIMITED, NAWABGANJ
CASH FLOW STATEMENT

(Rs. In Lacs)

PARTICULARS	31.03.2011	31.03.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEM	24.03	268.43
Adjustment for:		
Depreciation	335.52	312.50
Prior Period Expenses	(2.40)	(2.54)
Prior Period Income	-	3.00
Taxes Paid	(8.60)	(0.14)
Interest Paid	384.58	193.14
Loss on Sale of Fixed assets	0.36	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	733.49	774.20
Change in Trade and other receivable	(270.57)	(494.13)
Change in Inventories	(1,163.03)	(2,672.28)
Change in Trade Payables	1,200.94	1,576.59
CASH FLOW BEFORE EXTRAORDINARY ITEMS	500.83	(815.63)
NET CASH FROM OPERATING ACTIVITIES	**500.83**	**(815.63)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(637.71)	(216.16)
Sale of Fixed Assets(net)	5.21	
NET CASH USED IN INVESTING ACTIVITIES	**(632.50)**	**(216.16)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) long term & W.Capital borrowings	1,543.51	1,735.04
Proceeds from unsecured loans	(748.76)	(36.68)
Interest paid	(384.58)	(193.14)
NET CASH FROM FINANCING ACTIVITIES	**410.17**	**1,505.22**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**278.50**	473.43
CASH AND CASH EQUIVALENTS AS AT BEGINNING	**561.28**	87.86
CASH AND CASH EQUIVALENTS AS AT END	**839.78**	561.28

Sanjiva Gaur
SANJIVA GAUR
(COMPANY SECRETARY)

PRADEEP KUMAR
(MANAGER - F&A)

Paramjeet Singh
PARAMJEET SINGH
(MANAGING DIRECTOR & CEO)

Manjeet Singh
MANJEET SINGH
(DIRECTOR)

Place: NEW DELHI
Date: 30.05.11

For Kansal Singla & Associates
Chartered Accountants

KANSAL SINGLA & ASSOCIATES Chartered Accountants Bhandle

(S.K. KANSAL)
PARTNER
M.No. 80632
FRN 003897N

OSWAL OVERSEAS LIMITED

PARTICULARS	AS AT 31.03.2011 Rs. AMOUNT	AS AT 31.03.2010 Rs. AMOUNT
SCHEDULE - I SHARE CAPITAL		
Authorised:		
36000000 Equity Shares of Rs. 10/- each	360,000,000	360,000,000
Issued, Subscribed & Paidup:		
6461050 Equity Shares of Rs.10/- each	64,610,500	64,610,500
TOTAL	**64,610,500**	**64,610,500**
SCHEDULE - II RESERVES& SURPLUS		
Securities Premium Account	159,010,800	159,010,800
Molasses Storage Fund Reserve	1,654,344	1,419,874
Surplus from Profit and loss account	3,577,537	-617,020
TOTAL	**164,242,681**	**161,047,694**
SCHEDULE - III SECURED LOANS		
A **Term Loans**		
State Bank of India	16,030,328	-
Sugar Development Fund	23,250,000	31,000,000
Car /Trolla Loan		
-HDFC	9,169,237	4,507,248
-ICICI	645,537	1,075,362
-BOB	2,614,071	3,089,357
-UCO	943,062	1,500,000
	52,652,236	**41,171,967**
B **Working Capital Limits**		
State Bank of India	93,492,466	73,331,793
Axis Bank	138,506,763	149,999,599
State Bank of Patiala	143,688,332	-
IDBI Bank	40,514,600	50,000,000
	416,202,161	**273,331,392**
TOTAL	**468,854,397**	**314,503,359**

NOTES :

1 Working Capital Loan & Term Loan from SBI is secured by way of hypothication of stock, first charge on stock of finished goods, wip, store spares & book debts and pari passu charge on Company's land, building, plant & machinery & other current assets as collateral security.The Working Capital Limit have further been secured by personal guarantees of directors.

2 Loan from SBOP, Axis Bank and IDBI Bank is secured by way of pledge of sugar stock (other than hypothecated to SBI)

3 Car Loan from HDFC, ICICI, BOB & UCO Bank is sanctioned against security/hypothecation of

SCHEDULE - IV UNSECURED LOANS		
Promoters and their associates		
-Inter Corporate	66,175,000	93,035,000
-Directors and Relatives	10,665,000	56,100,000
-Others	11,000,000	13,500,000
Dealers deposits	1,181,253	1,262,253
TOTAL	**89,021,253**	**163,897,253**

SINGLA & ASSOCIATES Chartered Accountants Chandigarh

DEPRECIATION CHART ON FIXED ASSETS AS PER COMPANIES ACT, 1956 UNDER S.L.M. METHOD FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE 'A'

PARTICULARS	RATE OF DEPRECIATION SLM METHOD	GROSS BLOCK				DEPRECIATION						NET BLOCK		
		COST AS ON 01.04.2010	ADDITIONS DURING THE YEAR	SALES / ADJUSTMENTS	COST AS ON 31.03.2011	BALANCE AS ON 01.04.2010	ON OPENING BALANCE	ON ADDITION	ON SALES / ADJUSTMENT	FOR THE YEAR	DEP. RES. ON SOLD ASSET	AS ON 31.03.2011	W.D.V. AS ON 31.03.2011	W.D.V. AS ON 31.03.2010
Land		16338091	956850	-	17294941	-	-	-	-	-		0	17294941.47	16338091
Site Development		12336059	-	-	12336059	-	-	-	-	-	-	0	12336058.70	12336059
Building & Civil Works														
Factory Building	3.34%	107654638	219813	-	107874451	40647559	3,595,665	302	-	3,595,966	-	44243525	63630925.57	67007078
Non Factory Building	1.63%	82483822	114,000.26	-	82597822	14999697	1,344,486	-	-	1,344,486	-	16344183	66253638.76	67484125
Plant & Machinery	5.28%	441178775	49985545	-	491164319	263198088	23,294,239	916,399	-	24,210,638	-	287408726	203755593.14	177980686
Electric Installation	13.91%	8641675	-	-	8641675	8641675	-	-	-	-	-	8641675	-	-
Furniture & Fixture	6.33%	4144709	71386	-	4216095	2704204	262,360	2,894	-	265,254	-	2969458	1246637.17	1440505
Office Equipment	6.33%	721749	8763	-	730512	339585	45,687	150	-	45,837	-	385422	345090.00	382164
Misc. Fixed Asset	4.75%	17657003	652685	-	18309688	12247349	838,708	13,587	-	852,295	-	13099644	5210043.59	5409654
Vehicles	9.50%	24611943	10353183	976,799.00	33988327	7779063	2,338,135	559,804	59,111.67	2,838,827	424,884.59	10193005	23795321.78	16832881
Air Conditioners	13.91%	1172403	-	-	1172403	951264	163,081	-	-	163,081	-	1114345	58058.00	221139
Computers	16.21%	4297113	140350	-	4437463	4112185	66,564	12,825	-	79,389	-	4191574	245889.01	184928
Mobile Set	6.33%	182793	46504	-	229297	23429	11,571	2,021	-	13,592	-	37021	192276.00	159364
Software	5 year	711000	-		711000	568800	142,200	-	-	142,200	-	711000	0.00	142200
Total		**722131771**	**62549079**	**976,799.00**	**783704052**	**324982409**	**32102695**	**1507982**	**59,111.67**	**33551565**	**424,884.59**	**389339578**	**394364473**	**365918875**
Capital Work In Progress													2409733	1187624
Total		**722131771**	**62549079**	**976,799.00**	**783704052**	**324982409**	**32102695**	**1507982**	**59,111.67**	**33551565**	**424,884.59**	**389339578**	**396774206**	**367106499**
PREVIOUS YEAR FIGURES		**698030524**	**24101248**	**-**	**722131771**	**324982409**	**30661600**	**568889**	**-**	**31230488**	**-**	**356212897**	**367106499**	**376721219**

Sanjiva Gaur
SANJIVA GAUR
(COMPANY SECRETARY)

PRADEEP KUMAR
(MANAGER - F&A)

For SINGLA & ASSOCIATES
Chartered Accountants

Paramjeet Singh
PARAMJEET SINGH
(MANAGING DIRECTOR & CEO)

Manjeet Singh
MANJEET SINGH
(DIRECTOR)

OSWAL OVERSEAS LIMITED

PARTICULARS	AS AT 31.03.2011 Rs. AMOUNT	AS AT 31.03.2010 Rs. AMOUNT
SCHEDULE - VI CURRENT ASSETS, LOANS & ADVANCES		
A CURRENT ASSETS:		
a) Inventories : (As valued and certified by the management)		
Raw Materials	-	2,369,178
Finished Goods :		
White Crystal Sugar	494,765,109	386,512,277
Sugar(biss)	3,000,000	2,025,000
Ingut	10,393,186	2,507,642
Runner Riser	11,000	1,320,200
Bye-Products		
Molasses	20,963,596	19,748,946
Bagasse	2,374,979	2,776,061
Store and Spares	26,603,718	24,549,774
TOTAL	**558,111,589**	**441,809,077**
b) Sundry Debtors:		
(Unsecured, considered good)		
-Outstanding for over 6 months	4,208,038	3,934,200
-Others	16,963,277	30,700,074
TOTAL	**21,171,316**	**34,634,273**
c) Cash & Bank Balances		
Cash-in-Hand	303,408	2,604,245
Balances with Scheduled Banks		
i) In Current Accounts	83,023,853	51,486,161
ii) F.D.R's	251,008	188,368
Stamp papers in hand	339,262	346,912
Cheques in hand	60,000	1,502,359
TOTAL	**83,977,531**	**56,128,045**
B LOANS & ADVANCES(Considered good ,Recoverable in cash or in kind)		
Cane Transporters	1,500	29,303
Contractors	726,693	652,233
Pre-Paid Expenses	614,732	417,193
Adm. charges prepaid on Molasses	207,360	56,800
Taxes & Duties deposited under protest	1,949,323	2,136,376
Modvat Credit Available	3,075,535	1,819,226
TDS On FDR Interest (BOB NG)	2,610	42,292
TDS-Job Work Receipts	13,314	60,293
Taxes & Duties Recoverable	1,660,850	1,352,548
Security Deposits	207,686	196,536
Staff Imprest	371,739	527,490
Staff Salary Advance	108,533	103,479
Advances for purchases	3,712,050	18,890,940
Advance To Cane Growers (Net)	56,017,654	2,130,191
FBT/I.Tax Advance	22,217	82,217
Advance for land	1,600,154	1,600,154
Advance to growers(SDF)	14,396,394	15,008,148
Mat credit Asset	11,130,629	10,689,514
Interest Accrued on FDR	3,203	-
Other Advances	3,817,974	3,320,006
TOTAL	99,640,149	59,114,937
G. TOTAL	762,900,584	591,686,332



OSWAL OVERSEAS LIMITED

PARTICULARS	AS AT 31.03.2011 Rs. AMOUNT	AS AT 31.03.2010 Rs. AMOUNT
SCHEDULE - VII CURRENT LIABILITIES & PROVISIONS		
Current Liabilities :-		
Sundry Creditors :		
- For Goods	13,967,462	15,435,595
- Cane Price & Soc. Comm. Payable	10,151,079	123,382,533
- Contractors	2,864,772	2,110,416
- Cane transporters	1,990,204	1,404,425
- Others Payables(Incl bills payable)	30,434,051	12,243,699
Expenses Payable	10,678,583	10,860,599
Intt.accrued but not due	2,380,482	1,753,679
Advance from Customers	75,891,835	7,327,997
Cheques pending encashment	193,736,121	47,169,126
Provision for Income Tax	441,115	5,058,140
Provision for excise duty on closing stock	21,362,509	17,052,747
TOTAL	**363,898,213**	**243,798,956**

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

OSWAL OVERSEAS LIMITED

PARTICULARS	AS AT 31.03.2011 Rs. AMOUNT	AS AT 31.03.2010 Rs. AMOUNT
SCHEDULE - VIII SALES		
Sugar	597,675,595	595,000,930
Molasses	43,257,882	61,947,662
Bagasse	26,756,834	35,640,836
Pressmud	1,149,976	1,920,295
Ingut	103,900,146	99,819,988
Scrap	1,255,920	650,000
Miscelleneous	4,696,184	41,538
TOTAL	**778,692,537**	**795,021,248**
SCHEDULE - IX MISC. INCOME		
Balances Written Off/Back	1,529,062	20,280
Interest Received	72,406	92,882
Job Work Receipts	665,700	2,969,550
Other Income	179,169	201,368
	2,446,337	**3,284,080**
SCHEDULE - X RAW MATERIALS CONSUMED		
Sugar Cane Consumed	560,081,853	723,788,396
Opening Stock Of Furnace	2,369,178	8,715,192
Add: Received During The Year	80,308,835	62,307,866
Less: Closing Stock	-	2,369,178
Raw Material Consumed	82,678,013	68,653,880
Transportation Charges	8,757,304	6,435,735
Loading Charges	2,197,610	2,072,851
Purchase Tax	5,483,999	6,178,801
Society Commission	11,442,365	12,033,215
Cane Outcentre Expenses	520,001	579,823
Cane Development Expenses	1,857,780	16,624,641
TOTAL	**673,018,926**	**836,367,341**
SCHEDULE - XI MANUFACTURING EXPENSES		
Repair Plant & Machinery	18,839,881	13,344,042
Process Store Consumed	15,016,098	16,668,298
Chemical Store Consumed	10,197,262	9,725,450
D.G.Set Running Exp.	4,767,758	3,434,000
Lubricant & Grease Consumed	1,015,297	1,347,791
Sugar Stacking & Frd. Charges	936,473	1,057,833
Fuel Expenses	50,200	395,426
Bagasse Handling Charges	798,556	605,487
Loading & Unloading Exp.	90,138	494,207
Other Mfg. Exp.	270,856	234,025
TOTAL	**51,982,519**	**47,306,560**

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

OSWAL OVERSEAS LIMITED

PARTICULARS	AS AT 31.03.2011 Rs. AMOUNT	AS AT 31.03.2010 Rs. AMOUNT
SCHEDULE - XII EMPLOYMENT EXPENSES		
Salaries & Wages	21,036,982	16,859,337
Bonus	621,642	439,150
Gratuity	213,633	82,608
Leave Encashment	97,748	47,469
Contractor Labour	5,048,781	3,689,977
Company's Contribution To Provident Fund	256,890	238,803
Company's Contribution Family Pension	583,063	541,954
Admn. Charges On Provident Fund	76,995	72,220
Employees Deposit Linked Insurance	34,997	32,532
Medical Expenses	695,126	532,277
Incentive	19,600	365,159
Security Expenses	1,730,838	1,724,853
Workers & staff welfare Expenses	20,007	49,184
Recruitment Expenses	5,500	5,400
TOTAL	**30,441,802**	**24,680,923**
SCHEDULE - XIII ADMINISTRATION AND SELLING EXPENSES		
Repairs And Maintenance	5,279,399	14,677,143
Rent	1,134,200	1,198,250
Travelling Expenses - Staff	665,810	747,149
Travelling Expenses - Director	583,435	-
Conveyance Expenses	1,235,678	1,142,869
Advertisement & Publicity	105,340	75,124
Business Promotion	27,190	47,373
Charity & Donation	44,000	27,001
Electricity & Water Charges	737,603	504,524
Entertainment Exp.	277,478	517,519
Audit Fees	125,000	125,000
Audit Expenses	28,795	24,132
General Expenses	168,743	377,608
Horticulture Expenses	131,682	2,587,836
Insurance	558,328	602,984
Legal & Professional Fees & Exps.	2,572,706	3,016,103
Postage & Telephones Exps.	574,475	565,555
Printing & Stationary Exps.	475,611	433,524
Rates.Taxes.Fees & Subscription	576,471	1,587,331
Bad Debts w/o	637,399	-
Canteen expenses	221,381	274,295
Fine & Penalty	141,050	74,500
Website expenses	3,000	4,500
Dairy Expenses	90,843	72,965
Drill Machine Expenses	459,729	503,996
R & D Expenses	-	5,750
UPTT & VAT Paid	325,241	124,493
Loss on sale of vehicle	35,914	-
SUB TOTAL	**17,216,501**	**29,317,525**
SELLING EXPENSES		
Brokerage Commission	1,219,118	309,467
Truck Freight Exp.	3,791,192	2,572,160
Service Tax paid on o.w truck freight	96,931	59,835
Loading Charges-Sugar	215,954	149,506
SUB TOTAL	**5,323,195**	**3,090,968**
TOTAL	**22,539,696**	**32,408,493**

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OSWAL OVERSEAS LIMITED

PARTICULARS	AS AT 31.03.2011 Rs. AMOUNT	AS AT 31.03.2010 Rs. AMOUNT
SCHEDULE - XIV FINANCIAL EXPENSES		
Interest on Term Loan/Car Laon	741.493	498.403
Interest on Working Capital	32,163,125	14,090,696
Interest on Unsecured Loans	1,580,250	1,467,917
Interest on tractor & trolla loan	502,305	172,770
Interest on Farmer's crop Loan	-	1,362,181
Interest on TL from SBI	882,106	-
Interest on TL from SDF	861,667	-
Other Interest	234,045	119,580
Bank Charges & Other Fin. exp.	1,492,824	1,602,710
TOTAL	38,457,815	19,314,257



OSWAL OVERSEAS LIMITED

SCHEDULE XV

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2011

A. SIGNIFICANT ACCOUNTING POLICIES

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



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. **Research & Development**

Revenue expenditure on research and development is charged under the respective heads of accounts. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

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.

10. **Cenvat Credit**

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.

11. **Commercial Tax**

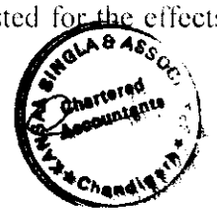
Commercial Tax liabilities are accounted for on the basis of Commercial Tax Returns filed by the Company. Any additional liability that arises at the time of assessment is accounted for in the year of finalization of assessment.

12. **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.

13. **Earning Per Share**

Basic earnings per share are 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.



14. **Taxes on Income**

Tax expenses comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefits tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961. Deferred income taxes reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient further 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 that such deferred tax assets can be realized against further taxable profits. Unrecognized deferred tax assets of earlier years are reassessed 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. **Segment Reporting Policy**

(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 Unallocable corporate expenditure.

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

(4) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to company as a whole and not allocable to any segment. Unallocable assets mainly comprises corporate head office assets, Land , Land & Site Development and Tax Deposited with Income Tax authorities. Unallocable liabilities includes 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 Transfer Price agreed between the segments.

16 **Intangible Assets**

An intangible asset is recognized if, and only if:

(a) it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise

(b) the cost of the asset can be measured reliably;

An intangible asset is measured initially at cost

The depreciable amount of an intangible asset will be allocated on a systematic basis over the best estimate of its useful life.

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The amortization method will be used to reflect the pattern in which the asset's economic benefits are consumed by the enterprise. If that pattern cannot be determined reliably, the straight line method will be used.

17. **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

18. **Provisions**

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.

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

19. **Cash & Cash equivalent**

Cash and cash equivalent in the balance sheet comprises cash at bank, cash in hand & Short term investment

B. <u>NOTES ON ACCOUNTS</u>

1. **Contingent Liabilities:-**

A) Estimated amount of contract remaining to be executed on capital account and not provided for Rs. Nil (Previous year Rs Nil).

B) Liability in respect of Sales Tax , Excise Duty and Income tax has 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 the assessment is completed.

a) The assessment of Sales Tax has been completed up to Financial Year 2007-2008.

b) There is no outstanding demand in respect to the completed assessment.

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C) Amount in respect of which the company is contingently liable.

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
In respect of Sales Tax matters		
1. Dy. Commissioner of Sales Tax Assessment raised demand for Entry Tax for F.Y. 2000-01, which has been stayed by Hon'ble Allahabad High Court.	10.00	10.00
2. Dy. Commissioner of Sales Tax Assessment raised demand for Entry tax for F. Y -2003-04,which has been stayed by Tribunal	8.00	8.00
3. Sales tax Deposited under protest against which there is exemption U/S 4A.	8.75	8.75
4. Sales Tax Deposited under protest	0.21	0.21
5. Dy. Commissioner of Sales Tax Assessment raised demand for Entry Tax for F.Y. 2004-05, which has been stayed by Hon'ble Allahabad High Court.	63.82	63.82
6. Dy. Commissioner of Sales Tax Assessment raised demand for Penalty u/s 10A/10B for F.Y. 2004-05, appeal filed with Tribunal.	1.10	1.10
7. Demand raised by the Dy. Comm. for CST. & Interest on sale of Bagasse for the F.Y. 2005-06, case pending with Tribunal.	2.14	2.14
8. Demand raised by the Dy. Comm. for UPTT. & Interest on sale of Molasses for the F.Y. 2005-06 case pending with Tribunal	3.96	3.96
9. Dy. Commissioner of Trade Tax Assessment raised demand for Penalty u/s 10A/10B for F.Y. 2005-06, appeal filed with Tribunal.	0.74	0.74
10. Entry Tax Assessed by the Dy.Comm. for the F.Y.2005-06,but demand remain stayed till the Decision of Hon'ble Supreme Court	99.00	99.00

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11. Dy. Commissioner of Sales Tax Assessment raised demand for Entry Tax for F.Y. 2006-07, which has been stayed by Hon'ble Allahabad High Court.	76.17	76.17
12. Dy. Commissioner of Sales Tax Assessment raised demand for Entry Tax for F.Y. 2001-02, which has been stayed by Hon'ble Allahabad High Court.	60.05	60.05
13. Dy. Commissioner of Sales Tax Assessment raised demand for Entry Tax for F.Y. 2002-03, which has been stayed by Hon'ble Allahabad High Court.	35.05	35.05
14. Dy. Commissioner of Sales Tax Assessment raised demand for Penalty(u/s 10A/B) for F.Y. 2006-07, 50% of which has been stayed by Hon'ble Additional Commissioner.	0.61	0.61
15. Dy. Commissioner of Sales Tax Assessment forfeited security taken by Sachal Dal F.Y. 2008-09, matter pending with Adl. Commissioner(A)	0.48	0.48
16. Dy. Commissioner of Sales Tax Assessment raised demand for UPTT against evasion report of SIB for F.Y. 2007-08, appeal pending with Adl. Commissioner(A) who stayed the demand .	10.50	-
17. Dy. Commissioner of Sales Tax Assessment raised demand for Entry Tax for F.Y. 2007-08, which has been stayed by Hon'ble Allahabad High Court.	74.82	-

In respect of Central Excise matter

1 In F.Y 2003-04 there was loss of 1524.35 quintals on storage of Molasses. An appeal has been filed with the revenue authority and case is still pending.	0.76	0.76
2 In F.Y 2004-05 for the claim of Molasses storage loss of 1320 quintals, an appeal has been filed with the revenue authority for which demand has been stayed.	1.01	1.01



c) **In respect of Water and Pollution Matter**

Counter Guarantees given by the company to the U.P. Pollution Board.	1.00	1.00

The Company has not made provision against these demands, though part of the amount has been deposited under protest.

2. 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.

3. Capital work in progress includes advances against capital works.

4 Reserve for Molasses Storage Fund for the F.Y.2010-11 has been created to comply with the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964 amounting to Rs. 2.35 lacs (Previous year Rs14.20 lacs).

5. Balances in respect of some of debtors and suppliers are subject to confirmation.

6.

AUDITORS REMUNERATION	31.03.2011	31.03.2010
As audit fees	100000	100000
As tax audit fees	25000	25000
Service Tax	12875	12875
Reimbursement of expenses	15000	15000

7. **Expenditure on employees**:
There is no employee employed for full or part of the year who is getting remuneration in excess of the limits specified in Section 217 (2A) of the Companies Act, 1956.



8. **Segment Reporting** **(Rs in Lacs)**

Particulars	SUGAR		FURNACE		POWER		JOB WORK		ELIMINATION	TOTAL	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.11	31.03.10
Segment Revenue											
External Sales	6703.19	6,952.01	1083.74	998.20	-	-	-			7,786.93	7,950.21
Job Work Receipts	-	-	-	-	-	-	6.66	29.70	-	6.66	29.70
Inter Segment Sale	42.33	63.43			72.18	80.55	-	-	(114.51)	-	-
Total Sales	6745.52	7,015.44	1083.74	998.20	72.18	80.55	6.66	29.70	(114.51)	7,793.58	7,979.91
Less Excise Duty	309.32	297.43	101.20	81.01	-	-	-	-	-	410.52	378.44
Net Sales	6,436.20	6,718.01	982.54	917.19	72.18	80.55	6.66	29.70	-	7,383.06	7,601.47
Segment Results											
Operating Profit	525.05	704.31	22.76	2.68	12.97	4.53	(0.32)	22.86	-	560.06	734.38
Less Unallocable Expenditure										172.17	293.18
Less Interest Expenses										364.26	172.77
Profit Before Tax										24.06	268.43
Adjustment for Prior Years										8.43	0.03
Provision for Current Tax										4.41	50.58
Deferred Tax Liability										(18.91)	92.68
Fringe Benefit Tax										0.16	0.11
Prior Period Expense										2.40	2.54
Prior Period Income										-	3.00
MAT Credit Availed										4.41	106.90
Fringe Benefit Tax Written Back										2.34	14.20
Profit After Tax										29.01	218.19
Other Information											
Segment Assets	10850.26	8863.01	962.62	792.94	323.61	481.48	64.36	68.86	(1010.47)	11300.40	9276.20
Investments		-		-	-	-	-	-	-	296.31	286.74
Unallocable Assets										11596.71	9562.94
Segment Liability	3549.26	5676.10	740.53	592.97	2.21	173.05	46.00	46.00	(1010.47)	8327.53	5558.03
Unallocable liabilities										980.65	1748.32
Total Liabilities										9308.17	7306.36
Capital Expenditure	615.72	194.10		1.43		0.38	-	46.06	-	615.72	241.91
Depreciation	315.63	293.29	13.89	13.83	3.42	3.39	2.38	1.80	-	335.52	312.30
Non Cash Expenses	-	-	-	-	-	-	-	-	-	-	-

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9.	**Earning per Share**	**2010-11**	**2009-10**
	(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 lacs)	29.60	218.19
	(c) Basic and diluted earnings per shares (Rs.) (Face Value Rs 10/-)	0.46	3.38

10. **Related Party Disclosures:**

Disclosure as required by the Accounting Standard 18 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are given below:

a) List of related parties

(i) Associated Companies

1. Moon Trading Co.(P) Ltd
2. Moon Network Pvt. Ltd.
3. Moon Restaurant Pvt. Ltd.
4. Moon I.T Services Pvt. Ltd.
5. Rajan Hotel Pvt. Ltd
6. Hotel Yamuna View (Agra)

(ii) Directors:

1. S. Paramjeet Singh
2. S. Manjeet Singh
3. Sh. Satnam Singh Arora
4. Sh. Parveen Kumar Varshney

(iii)Key Management Personnel:

1. S. Paramjeet Singh

b) **Transactions with related parties:**

(Rs. in lacs)

S.No	Nature of Transaction	Associated Companies	Directors and relatives	Key Management Personnel
1	Outstanding Debit Balances	NIL	NIL	NIL
2	Interest Free Unsecured Loans from Directors & relatives			
	(a) Received during the year	478.75	71.65	NIL
	(b) Paid during the year	772.35	195.00	331.45
	(C.) Year end balances	661.75	88.10	18.55

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

11. **Managerial Remuneration** (Rs in Lacs)

Managing Director	2010-11	2009-10
Salary	NIL	NIL
Perks & Allowances	NIL	NIL
Director		
Salary	NIL	NIL
Perks & Allowances	NIL	NIL

12. **Deferred Tax:**

Major Components of Deferred Tax Liability/ (Asset) is as under:-

(Rs in Lacs)

Particulars	As at 31.3.2011	As at 31.3.2010
A) Deferred Tax Liability		
- Difference Between Carrying amount of Fixed Assets	2028.55	2097.50
Total (A)	**2028.55**	**2097.50**
B) Deferred Tax Asset		
i) Unabsorbed Depreciation as per Income Tax Returns	1618.25	1568.18
ii) Carried Forward Business Losses	-	-
ii) Expenses Disallowed under section 43B of Income Tax Act		
- Effect of Section 145A	27.06	39.49
- Bonus	6.22	4.39
- Provision for Gratuity	12.47	10.76
- Provision for Leave Encashment	7.24	6.62
- Interest on Loan from Axis Bank	22.25	17.54
- Interest on Loan from SDF	1.55	-
Purchase tax payable	40.84	28.79
Total (B)	**1735.88**	**1775.77**
Net Deferred Tax Liability/(Asset) (A)-(B)	292.67	321.73
Tax Impact	90.44	109.36

13. **Impairment of Assets**

As per AS-28 Impairment of Assets issued by ICAI, the management has reviewed its cash generating unit as on 31.03.2011. No such indication has been found by the management that the recoverable amount of Asset is less then the carrying amount. Hence no impairment loss on asset has been recognized.



14. **Intangible Assets**

(Rs in Lacs)

Name of **Intangible Asset**	Computer ERP Software
Nature of Intangible Asset	Purchased from outside
Useful Life	5 year
Amortisation method Used	Straight Line
Gross Carrying amount at the beginning	1.42
Gross Carrying amount at the end	NIL
Accumulated amortization at the beginning	5.69
Accumulated amortization at the end	7.11

15. **Movement of Provisions**

(Rs in Lacs)

Provisions	**Income Tax**	**Bonus**	**Gratuity**	**Leave Encashment**
Opening Balance	50.58	4.39	10.76	6.62
Add:Additions	4.41	6.42	1.71	0.62
Less:Amount Used	50.58	4.39	0	0
Less:Unused Amount Reversed	0	0	0	0
Closing Balance	4.41	4.39	12.47	7.24

16. As per the information available with the company, there is no small-scale industrial undertaking to which company owes rupees one lac and above, which is outstanding for more than 30 days.

17. 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

18. The Company has not paid any interest under protest

19. Previous year figures have been recasted / regrouped / rearranged wherever necessary to make them comparable.

20. The figures have been rounded off to nearest rupee



21. **Additional Information pursuant to Para 4-D of Schedule VI –Part-11 of the Companies Act, 1956:**

(Rs in Lacs)

Particulars	2010-11	2009-10
Value of Imports calculated on CIF basis	NIL	NIL
Expenditure in Foreign currency on:		
(i) Professional and consultancy fee	NIL	NIL
(ii) Tours and Travel	NIL	NIL
(iii) Contracts	NIL	NIL
Earnings in foreign Currency	NIL	NIL
Value of Components, spare parts & stores consumed	NIL	NIL

For KANSAL SINGLA & ASSOCIATES,
Chartered Accountants

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

CA. S.K. KANSAL
(PARTNER)
M.NO. 080632
FRN - 003897 N

PLACE: NEW DELHI
DATED: 12.08.2011

OSWAL OVERSEAS LIMITED

Statement of Increase/Decrease in Inventories

PARTICULARS	As on 31.03.2011		As on 31.03.2010	
	Qty.	AMOUNT (Rs.)	Qty.	AMOUNT (Rs.)
OPENING STOCK (Qtls.)				
- Sugar	144,975.00	386,512,276.67	60,502.00	118,561,973.16
- Molasses	55,031.40	19,748,945.65	56,530.20	22,739,272.95
- Bagasse	12,069.83	2,776,060.90	1,998.00	299,700.00
- Sugar (BISS)	750.00	2,025,000.00	800.00	880,000.00
- Runner Riser (MT)	57.40	1,320,200.00		
- Ingots (MT)	97.65	2,507,642.27	343.13	8,609,142.69
TOTAL	212,981.28	414,890,125.49	120,173.33	151,090,088.80
PRODUCTION (Qtls.)				
- Sugar	236,645.00		264,651.00	
- Molasses	150,145.00		159,410.00	
- Sugar in process	200.00			
- Molasses in process	800.00			
- Bagasse (Saleable)	169,741.40		167,573.43	
- Sugar (BISS)	1,200.00		750.00	
- Ingots (MT)	3,459.39		3,484.93	
- Runner Riser	79.40		57.40	
SALES (Qtls.)				
- Sugar	202,807.00		180,178.00	
- Molasses	156,312.75		160,908.80	
- Molasses (Shortage)				
- Bagasse (Saleable)	162,811.40		157,501.60	
- Old Sugar reprocessed				
- Sugar (BISS) reprocessed	750.00		800.00	
- Ingot (MT)	3,226.27		3,730.41	
- Runner riser (MT) reprocessed	136.36			
REPROCESS (Qtls.)				
- Sugar				
CLOSING STOCK (Qtls.)				
- Sugar	152,935.00	423,486,855.13	97,361.00	320,108,363.85
- Sugar Levy	25,878.00	70,778,253.82	47,614.00	66,403,912.82
- Molasses	41,232.80	19,678,353.80	44,914.90	16,944,146.03
- Molasses (Levy)	7,630.85	1,123,642.66	10,116.50	2,804,799.63
- Bagasse	18,999.83	2,374,978.75	12,069.83	2,776,060.90
- Sugar in process	200.00	500,000.00	-	-
- Molasses in process	800.00	161,600.00	-	-
- Sugar (BISS)	1,200.00	3,000,000.00	750.00	2,025,000.00
- Runner Riser (MT)	0.44	11,000.00	57.40	1,320,200.00
- Ingot (MT)	330.766	10,393,186.41	97.65	2,507,642.27
TOTAL		531,507,870.56		414,890,125.49
Increase (Decrease) in Stock		133,670,492.48		274,742,504.97

KANSAL SINGLA & ASSOCIATES
Chartered Accountants
Chandigarh

OSWAL OVERSEAS LIMITED, NAWABGANJ (BAREILLY)

Additional information as required by paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act., 1956 :-

PARTICULARS	For the year ended 31.03.2011		For the year ended 31.03.2010	
	Qtls.	Rs. in lac	Qtls.	Rs. in lac
A. Quantitative Data				
I Licenced Capacity (TCD)	3500		3500	
II Installed Capacity (TCD)	3500		3500	
III Production (Qtls.)				
White Sugar (including BIISS)	237,845.00		265,401.00	
Molasses	150,145.00		159,410.00	
Coal (MT)	3,459.39		3,484.93	
IV. Sales				
White Sugar	202,807.00	5,976.75	180,178.00	5,950.01
Molasses	150,145.00	432.58	160,908.80	619.48
Bagasse	162,811.40	267.57	157,501.60	356.41
Pressmud	-	11.50	-	19.20
Sugar	3,226.27	1,039.00	3,730.41	9,981.99
Sales Misc.	-	59.51	-	6.92
V. Closing Stock				
White Sugar	178,813.00	4,942.65	144,975.00	3,865.12
Molasses	48,863.65	208.02	55,031.40	197.49
Bagasse	18,999.83	23.75	12,069.83	27.76
Sugar in process	-	-	-	-
Coal	330.77	103.93	97.65	25.08
B. Raw Material Consumed				
Sugar Cane	2,738,038	5,600.82	3,087,351.66	7,237.88
Recovery (%)	8.68		8.60	

B. CONSUMPTION OF MATERIAL AND STORES CONSUMED	Imported Rs. in lac	Indigenous Rs. in lac	%	Imported Rs. in lac	Indigenous Rs. in lac	%
Raw Material	--	5,600.82	100.00	--	7,237.88	100.00
Components & Spares	--	85.81	100.00	--	110.73	100.00
Packing Material	--	150.16	100.00	--	169.14	100.00
C. FINISHED GOODS PURCHASED	Nil	Nil	Nil	Nil	Nil	Nil
D. CIF value of imports						
Raw Materials	Nil	Nil	Nil	Nil	Nil	Nil
E. Expenditure in foreign Currency	Nil	Nil	Nil	Nil	Nil	Nil
F. Earnings in Foreign Exchange	Nil	Nil	Nil	Nil	Nil	Nil

Schedule I to XVI form an integral part of Annual Accounts which are duly authenticated.

For V. K. GOYAL & ASSOCIATES
CHARTERED ACCOUNTANT

V. K. GOYAL
PARTNER
M.No. 80692
FRN - 003897 N

Place: NEW DELHI
Date: 12/08/2011

OSWAL OVERSEAS LIMITED, NAWABGANJ (BAREILLY)

Balance Sheet Abstract and Company's General Business Profile.

(Rs. in Lakhs)

	FOR THE YEAR ENDED 31.03.2011		FOR THE YEAR ENDED 31.03.2010	
I. **Registration Details**				
Registration No.	18268	State Code	18268	State Code
Balance Sheet Date	31.03.2011	55	31.03.2010	55
II. **Capital Raised during the period**				
	Public issue	Rights issue	Public issue	Rights issue
	Nil	Nil	Nil	Nil
	Bonus issue	Private Placement	Bonus issue	Private Placement
	Nil	Nil	Nil	Nil
III. **Position of Mobilazation and Deployment of Funds**				
	Total Liability	Total Assets	Total Liability	Total Assets
	7957.73	7957.73	7149.94	7149.94
Sources of Funds				
	Paid up Capital	Reserve & Surplus	Paid up Capital	Reserve & Surplus
	646.11	1642.43	646.11	1610.48
	Secured Loans	Unsecured Loans	Secured Loans	Unsecured Loans
	4688.54	890.21	3145.03	1638.97
	Deferred Tax Liability		Deferred Tax Liability	
	90.44		109.35	
	Total		Total	
	7957.73		7149.94	
Application of Funds				
	Net Fixed Assets	Investments	Net Fixed Assets	Investments
(incl. Capital Work in Progress)	3967.70	0.00	3671.06	0.00
	Net Current Assets	Misc. Expenditure	Net Current Assets	Misc. Expenditure
	3990.02	0.00	3478.87	0.00
	Total		Total	
	7957.73		7149.94	
IV. **Performance of Company**				
	Turnover	Total Expenditure	Turnover	Total Expenditure
	7376.41	7165.61	7571.77	7171.19
	Profit/(Loss) Before Tax	Profit/(Loss) After Tax	Profit/(Loss) Before Tax	Profit/(Loss) After Tax
	19.29	29.61	254.69	218.19
	Earning per share	Dividend	Earning per share	Dividend
	0.46	0.00	3.38	0.00
V. **Generic Names of Three Principal Products/Service of Company (as per monetary terms)**				
a. Item Code No (ITC Code)		17011109		17011109
Product Description		White Crystal Sugar		White Crystal Sugar
b. Item Code No (ITC Code)		17031000		17031000
Product Description		Molasses		Molasses

OSWAL OVERSEAS LIMITED

Regd Office : K-185/1, 3rd Floor, Surya Plaza Bldg., Sarai Jullena, Opp: New Friends Colony. New Delhi- 110025

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT ENTRANCE OF THE MEETING HALL. Joint Shareholders may obtain additional Attendance Slip on request.

NAME AND ADDRESS OF THE SHAREHOLDER

Master Folio No. :
No. of Shares held :

I hereby record my presence at the 27th Annual General Meeting of the Company held on **Tuesday, 27th September, 2011 at 12.30 P.M. at K-185/1, 3rd Floor, Surya Plaza Bldg., Sarai Jullena, Opp: New** Friends Colony. New Delhi- 110025.

SIGNATURE OF THE SHAREHOLDER OR PROXY*

*Strike whichever is not applicable.

.....Tear Here.....

PROXY FORM

OSWAL OVERSEAS LIMITED

Regd Office : K-185/1, 3rd Floor, Surya Plaza Bldg., Sarai Jullena, Opp: New Friends Colony, New Delhi- 110025

Master Folio No. :

I/We.....of .....**being a member/members of Oswal** Overseas Limited, New Delhi, hereby appoint Mr./Mrs. .....of..... .....or failing him.....of..... As my/our proxy to vote for me/us and on my /our behalf at the 27th Annual General meeting of the Company to be held on Tuesday, 27th September, 2011 or at any adjournment thereof.

Signed this.....day of .....2011.

Affix Rs.1 Revenue Stamp

Note: The proxy must be returned so as to reach the Registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not to be member of the Company.