OSWAL OVERSEAS LIMITED

2009-10

26th 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

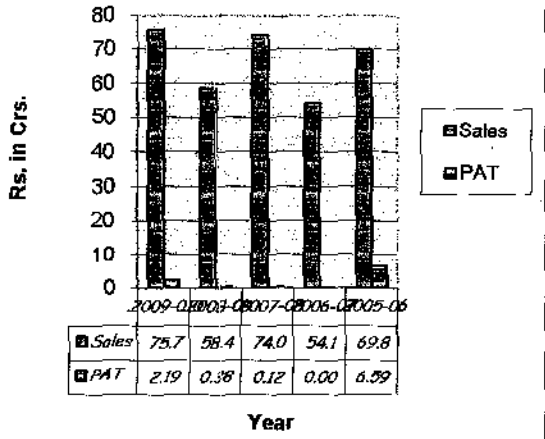
Village : Aurangabad
Tehsil : Nawab Ganj
Dist. : Bareilly-243406 (U.P.)

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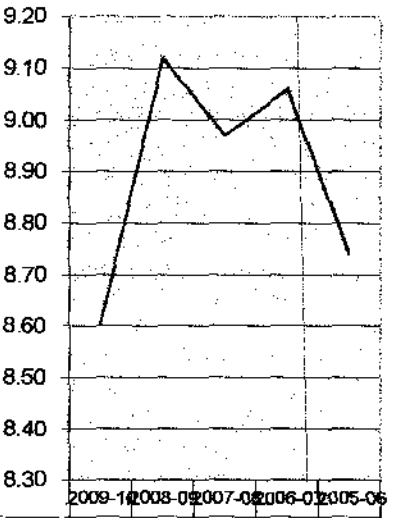
- Proxy Form & Attendance Slip

Sales & PAT- Comparative Chart

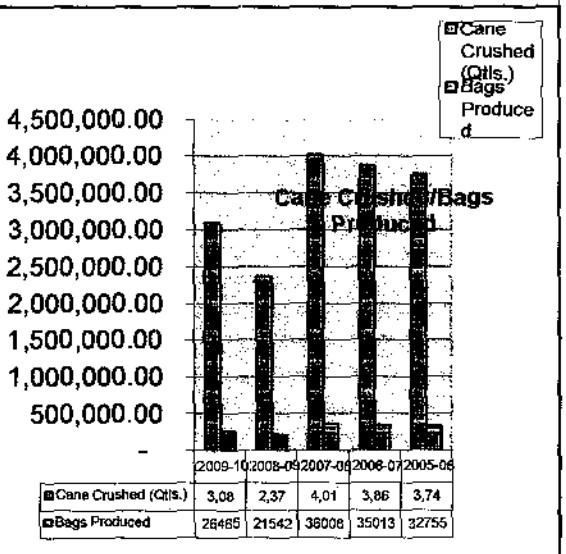


	2009-10	2008-09	2007-08	2006-07	2005-06
Sales	75.7	58.4	74.0	54.1	69.8
PAT	2.19	0.38	0.12	0.00	6.59

Recovery %

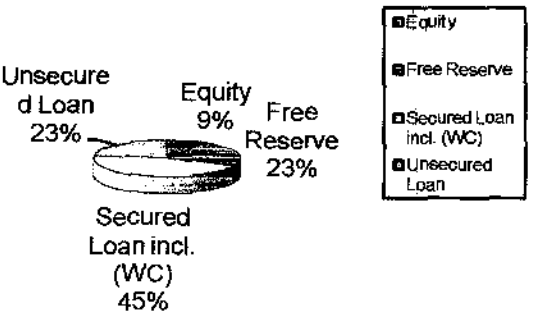


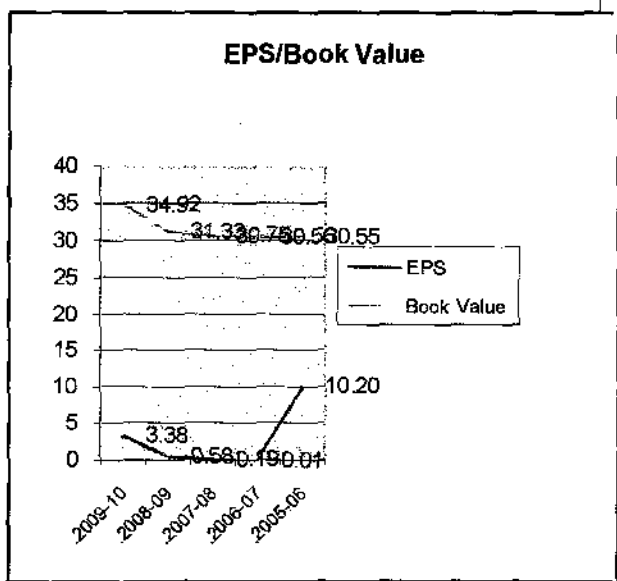
	2009-10	2008-09	2007-08	2006-07	2005-06
Recovery %	8.60	9.12	8.97	9.06	8.74

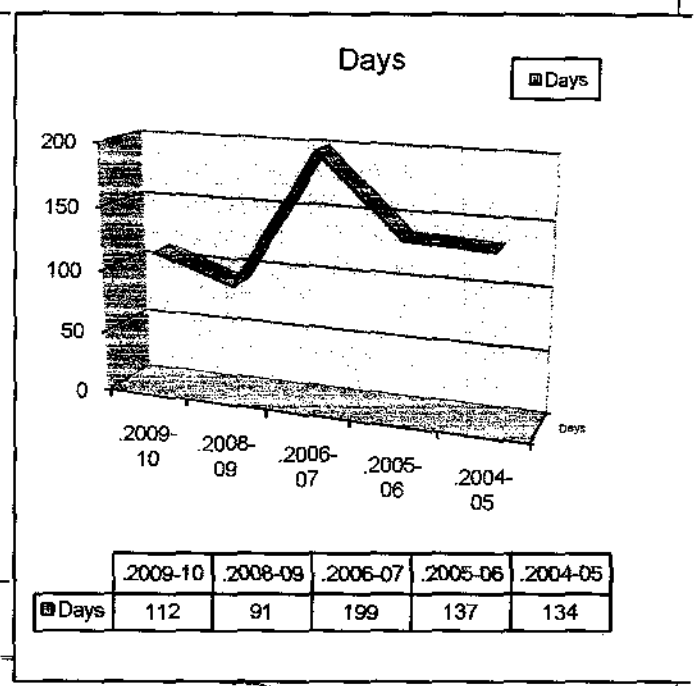


	2009-10	2008-09	2007-08	2006-07	2005-06
Cane Crushed (Qtls.)	3,08	2,37	4,01	3,86	3,74
Bags Produced	26485	21542	36006	35013	32755

Equity/Free Reserve/Debt, 2009-10







	.2009-10	.2008-09	.2006-07	.2005-06	.2004-05
Days	112	91	199	137	134

Ratio Analysis:

Particulars	2009-10	2008-09	2007-08	2006-07	2005-06
Raw Material/Total Turnover	1.10	0.75	0.74	0.71	0.79
PBDIT/ Turnover	0.10	0.09	0.06	0.07	0.15
Interest Cover (PBIT/Bank Interest+ Charges)	2.39	1.46	1.20	1.39	16.18
PAT/Total Turnover (%)	0.029	0.01	0.002	0.00	0.10
Debt-Equity Ratio	1.39	0.63	0.32	0.02	0.13
Inventory Turnover Ratio	0.58	0.30	0.22	0.32	0.11
Current Ratio	1.14	0.99	0.86	0.91	1.01
Capital Employed					
Equity	646.11	646.11	646.11	646.11	
Reserve	1610.48	1590.11	1590.11	1590.11	
Secured/Unsecured	4784.00	3085.64	2283.55	3921.57	
Total	7040.59	5321.86	4519.77	6157.79	10677.56
Average Capital Employed	6181.225	4920.815		1638.02	5338.78
Increase in Capital Employed	32.30	17.75		36.24	
Increase in Capital Employed		17.75			

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 26th Annual General Meeting of the Members of the Company will be held as scheduled below:

Day	:	Saturday
Date	:	25th September, 2010
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, 2010 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. Manjeet Singh 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."

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

Sanjiva Gaur
Company Secretary

Place: New Delhi
Dated: 30/08/ 2010

OSWAL OVERSEAS LIMITED

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

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 22nd September, 2010 to 25th September, 2010 (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. 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.

OSWAL OVERSEAS LIMITED

Regd. Office :K-185/1, 3rd Floor, Surya Plaza Bldg.,
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New Delhi- 110025

(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.

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

Sanjiva Gaur

Sanjiva Gaur
Company Secretary

Place: New Delhi
Dated: 30/08/ 2010

OSWAL OVERSEAS LIMITED

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 26th Annual Report, together with the Audited Accounts of your Company for the year ended 31st March, 2010:

1. FINANCIAL RESULTS

(Figs. in Lacs)

Particulars	2009-10	2008-09
Sales and other Income	7604.62	5849.93
Increase/Decrease in WIP and Finished Goods	2576.90	(8.63)
Government Subsidy	--	5.00
Profit before Depreciation, Interest and Taxes	760.13	522.20
Financial Charges	193.14	146.47
Depreciation	312.30	308.87
Profit before Tax	254.69	65.53
Provision for Tax	(50.58)	(6.89)
Provision - Deferred Tax Assets/ (Liability)	(92.68)	(16.67)
Fringe Benefit Tax & Wealth Tax	(0.11)	(4.23)
MAT Credit of CY & FY	106.89	--
Profit after Tax	218.19	37.74
Carried Forward Losses	212.02	(249.76)
Surplus carried to Balance Sheet/ Loss carried forward to B/S	6.17	(212.01)
Dividend	Nil	Nil

2. OPERATIONAL PERFORMANCE:

Particulars	2009-10	2008-09
Sugar Division		
Start of crushing season	30/11/2009	28/11/2008
Close of crushing season	21/03/2010	26/02/2009
Duration (Days)	112	91
Recovery (%)	8.60	9.12
Cane crushed (000, Qtls)	30.87	23.72
Production (Qtls.)		
White Sugar (Qtls)	264,651	215425
BISS Sugar (Qtls)	750	800
Molasses (Qtls)	159410	117943
Furnace Division		
Production (Tonnes)-MS Ingots	3484.93	3877.68

3. OPERATIONS:

Total Income of the Company has increased from 5849.93 Lac (08-09) to Rs. 7604.62 Lac (09-10), (approx. 30%). The Net Profit in the current year was Rs. 219.19 Lac as against Rs. 37.74 Lac of the previous year. The Furnace Division has shown a marginal decrease in the production from 3877.68 (Tonnes) (FY, 09) to 3484.93 (Tonnes) in the Current Year, (FY, 10). However carried forward losses have been fully wiped out due to reasonably good PAT & a surplus of Rs. 6.17 lacs was carried forward to the Balance Sheet.

4. DIVIDEND:

Due to brought forward losses & its adjustment, 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 20/07/2010 has been obtained for our records.

7. EXPANSION/DIVERSIFICATION PROJECTS :

The Company has engaged IFCI to syndicate Sugar Development Funds & other Long Term Loan for its proposed project 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.

To meet the cost of up-coming projects, the Company is planning to approach the SDF,Banks/FI and other Institutions for Term Loans and 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. Manjeet Singh is liable to retire by rotation, at the conclusion of the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Your Directors recommend his re-appointment at the ensuing Annual General Meeting.

(ii) Resignation

The following Directors have resigned due to their pre-occupation.

i. Sh. Ashok Kumar w.e.f. 30/04/2009
ii. Sh. Mohan Singh w.e.f. 30/04/2010
iii. Sh. Udai Shankar Singh w.e.f. 30/04/2010

The Board has expressed its gratitude for their valuable services during their tenure as Director.

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, 2010 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.

OSWAL OVERSEAS LIMITED

ANNEXURE TO THE DIRECTORS' REPORT FOR THE PERIOD 2009-10

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 2010.

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 2009-10	Previous Year 2008-09
a) *Units Purchased*	80559	68192
Total Amount (Rs.)	423675	461848
Rate per Unit (Rs.)	5.25	6.77
b) Own Generation		
i) Trough Diesel Generator Units	234222	211787
Units Per liter of diesel oil (Rs.)	2.32	2.16
Cost per unit (Rs.)	13.79	14.81
ii) Through Turbine (Units)	11207904	14205613
CONSUMPTION PER UNIT OF PRODUCT		
i. Electricity (KW/MT)	434.08	669.93
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	16599028/-	17281763/-

carried out further for improvement in quality of sugar cane and to increase the area under the sugarcane crop of better quality which will ensure its greater availability resulting into more production and better recovery and higher yield thereby directly reducing the cost of production.		
ii) 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	131.34

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

Place : New Delhi
Dated: 27/07/2010

Paramjeet Singh (Managing Director & CEO)

Manjeet Singh (Director)

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, 2010, 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. Kansal)
Partner
M.N. 080632

Place : Chandigarh
Date : 27/07/2010

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

Re: Financial Statements for the year ended 31st March, 2010 Certificate by CEO

I, Paramjeet 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, 2010 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, 2010 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.

Paramjeet Singh

Place : New Delhi
Dated : 27/07/2010

Paramjeet Singh
CEO

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 6* Directors as on March 31st, 2010 out of which 3 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:

* 4 Directors w.e.f. 30/04/2010 comprising 2 Executive/non-Independent Directors & 2 independent Directors.

Name & Designation of the Directors	Category/ Position	Last Annual General Meeting attended	Relationship among the directors	No. of Board Meeting attended out of 5 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. Mohan** Singh	Non-Executive/ Promoter	No	Father of Sh. Paramjeet Singh & Sh. Manjeet Singh	--	2	--	--

Sh. Paramjeet Singh	Executive/ Non-Independent	Yes	Brother of Sh. Manjeet Singh	5	1	--	3
Sh. Manjeet Singh	Executive/ Non-Independent	No	Brother of Sh. Paramjeet Singh	--	2	--	--
Sh. Preveen Kumar Varshney	Non-Executive/Independent	No	--	3	--	1	3
Sh.Uday Shankar Singh**	Non-Executive/Independent	No	--	4	--	--	3
Sh. Satnam Singh Arora	Non-Executive/Independent	No	--	5	--	2-	3

** Resigned w.e.f. 30/04/2010

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.Uday Shankar Singh	--
3.	Sh. Satnam Singh Arora	--

Number of Board Meetings held and dates thereof

During the financial year 2009-10, five meetings of the Board of Directors were held as follow:

(i) 30/04/2009 (ii) 31/07/2009 (iii) 31/10/2009 (iv) 30/01/2010 (v) 15/03/2010

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. Uday Shankar Singh, Member *(i) (iv) Sh. Satnam Singh Arora, Member
2.	Remuneration Committee	(i) Sh. Satnam Singh Arora, Chairman (ii) Sh. Paramjeet Singh, Member (iii) Sh.Uday Shankar Singh, Member *(ii)
3.	Shareholders Grievance Committee	(i) Sh. Satnam Singh Arora, Chairman (ii) Sh. Paramjeet Singh, Member (iii)Sh.Uday Shankar Singh, Member *(iii)

*(i) Omitted due to resignation.

*(ii) Substituted by Sh. Preveen Kumar Varshney w.e.f 14/05/2010.

*(iii) Substituted by Sh. Preveen Kumar Varshney w.e.f 14/05/2010.

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	2
2)	Sh. Paramjeet Singh	Member	4
3)	Sh.Uday Shankar Singh	Member	4
4)	Sh. Satnam Singh Arora	Member	4

During the financial year 2009-10, the Audit Committee met four times on the following dates:

(i) 30/04/2009 **(ii)** 31/07/2009 **(iii)** 31/10/2009 **(iv)** 30/01/2010

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 2009-10, one meeting of the Remuneration Committee was held on 15/03/2010.

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, 2010.

iii. Constitution/Composition of the Shareholders Grievance Committee:

The Shareholders' Grievance Committee comprises of Sh. Satnam Singh Arora as Chairman, Sh. Paramjeet Singh and Sh. Uday Shankar Singh *(iv) 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 2009-10, one meeting of the Shareholders Grievance Committee was held on 15/03/2010.

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

*(iv) Substituted by Sh. Preveen Kumar Varshney w.e.f 14/05/2010.

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.

4. GENERAL BODY MEETING

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

Year	Venue	Date	Time
2007	C-775, New Friends Colony, New Delhi-110065	21st September	10.00 A.M
2008	K-185/1, Surya Plaza Bldg. Sarai Jullena, Opp: New Friends Colony.New Delhi-110025	15th September	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.

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

Sr. No.	Year	U/S	Purpose
1.	2007	NIL	NIL
2.	2008	31	Addition/Deletion of the Clauses of Articles of Association
3.	2009	NIL	NIL

Resolutions passed through Postal Ballot s in FY 2009-10 :

During the FY 2009-10, two Special Resolutions were passed through Postal Ballot exercise. Details of the Resolution passed are as under:

- **As Special Resolution:** Authority to the Board under Section 17(1) of the Companies Act, 1956 read with Section 192A of the Act.

Details of voting pattern:

RESOLUTION NO. 1 : Special Resolution under Section 17 (1) of the Companies Act, 1956 to alter Main objects clause III(A) of Memorandum of Association :

Sl. No.	Particulars	No. of Ballot Forms	% to the total valid ballot forms	No. of Shares	% of total valid votes
1.	Postal Ballot Forms in favour of Resolution	33	100%	6001550	100%
2.	Postal Ballot Forms against the Resolution	NIL	NIL	NIL	NIL
3.	Valid votes	33	100%	6001550	100%
4.	Invalid Postal Ballot Forms	3	-	-	-
	Total	**36**	-	-	-

RESOLUTION NO. 2 : Special Resolution under Section 149(2A) of the Companies Act 1956 to commence new business stated other objects clause III(C) of Memorandum of Association:

Sl. No.	Particulars	No. of Ballot Forms	% to the total valid ballot forms	No. of Shares	% of total valid votes
1.	Postal Ballot Forms in favour of Resolution	33	100%	6001550	100%
2.	Postal Ballot Forms against the Resolution	NIL	NIL	NIL	NIL
3.	Valid votes	33	100%	6001550	100%
4.	Invalid Postal Ballot Forms	3	-	-	-
	Total	36	-	-	-

Result of the Postal Ballot was declared on 18th March, 2010.

Person who conducted the Postal Ballot Exercise :

Sh. Paramjeet Singh, Director and Sh. Sanjiva Gaur, Company Secretary of the Company were appointed as the persons responsible for the entire postal ballot voting process. Sh. Dhawal Kant Singh, Company Secretary in Practice was appointed as the Scrutinizer for conducting the postal ballot exercise.

Procedure for Postal ballot:

N.A.

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. However following penalties were imposed by Stock Exchanges & SEBI:

Sr. No.	Name of the Body/ies	Nature of Penalties	Amount (Rs.)	Status
1.	BSE	Revocation of Suspension	3,00,000/-	Paid & suspension revoked.
2.	LSE	Non-compliance of the Provisions of the Listing Agreement related to earlier years.	50,000/-	Paid & approval received.
3.	SEBI	Non-compliance of the Regulation	5,75,000/-	Paid & matter compounded.

		6(2), 6(4) & 8(3) of SAST Regulations, 1997		

However no stricture was passed/imposed by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital market during the last three years.

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 :

26th Annual General Meeting : Saturday, 25th September, 2010 at 12.30 P.M at K-185/1, 3rd Floor, Surya Plaza Bldg., Sarai Jullena, Opp: New Friends Colony. New Delhi- 110025.

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

B. **Book Closure :** Wednesday, 22nd September, 2010 to Saturday, 25th September, 2010

C. **Dividend Payment Date**

As no dividend for the year 2009-10 was recommended by the Board of Directors, hence no disclosure for the same is required.

D. **Tentative Financial Calendar (2009-2010)**

Results for the first Quarter (June, 30th)	:In the Month of July, 2009
Results for the second Quarter (September, 30th)	:In the Month of October, 2009
Results for the third Quarter (December 31st)	:In the Month of January, 2010
Results for the fourth Quarter (March 31st)	:In the Month of May, 2010

E. **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 2010-11.

F. **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 on these Stock Exchanges due to pendency of dematerialization of physical shares into demat & other Stock Exchange formalities.

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 : 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 not received references for the transfer, split-up, consolidation and transmission.

J. Distribution of Shareholding

The Distribution of shareholding as on March 31, 2010, was as follow:

No. of Shares held	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	255	80.50	47850	0.74
501-1000	22	6.92	20600	0.32
1001-2000	5	1.57	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	0.94	23600	0.37
10001 and above	29	9.12	6353450	98.34
Total	**317**	**100**	**6461050**	**100**

Held by	No. of shares	% holding
Promoters		
-Individual	4838950	74.89
-Private Corporate Bodies	-	-
Indian Public		
Individual	1622100	25.10
-Private Corporate Bodies	400	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, 2010, zero% 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.

Declaration by the Managing Director on the Code of Conduct:

Pursuant to the clause 49 of the Listing Agreement with the Stock Exchanges, I Paramjeet 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, 2010

Place : New Delhi
Date : 27/07/2010

PARAMJEET SINGH
Managing Director & CEO
OSWAL OVERSEAS LIMITED

MANAGEMENT'S DISCUSSION & ANALYSIS
Forming Part of Directors' Report for the year ended 31st March, 2010

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MANAGEMENT'S DISCUSSION & ANALYSIS

Forming Part of Directors' Report for the year ended 31st March, 2010

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 2009-10

Total Income of the Company has increased from Rs. 5854.93 Lac (08-09) to Rs.7604.61 Lac (09-10), (approx. 29.88%). The Net Profit in the current year was Rs. 218.20 Lac as against Rs. 37.74 Lac of the previous year. The Furnace Division has shown a marginal decrease in the production from 3837.92 (Tonnes) (FY, 09) to 3730.41 (Tonnes) in the Current Year, (FY, 10). However the total carried forward losses has been adjustment with current year profits. Net surplus of Rs. 6.18 Lac has been carried forward to Reserve & Surplus

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 could not materialized earlier. However the Management has taken a concrete step in the FY 10 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 can adversely affect sugar and it's 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 2009-10 has been increased by 29.88 % over the previous year to Rs. 7604.61 Lac (PY Rs. 5854.93 Lac) while the net earnings after tax were at Rs. 218.20 Lac in FY 10 in comparison of Rs. 37.74 Lac in the FY, 09. EBDITA was at Rs. 773.88 Lac in FY 10 (48.20 % higher 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, 10.

10. RESERVE

OOL Free Reserves stood at Rs. 1610.48 Lac in FY' 10 in comparison to FY' 09 Rs. 1590.11 Lac

11. LOANS:

Total debt outstanding as on 31st March, 10 is as follows:

Sr. No.	Name of Banks/ FIs	Amount O/S as at 31st March, 10
(i)	SBI- Cash Credit	733.31 Lac
(ii)	Axis Bank- Stock pledged	1499.99 Lac
(iii)	IDBI- Stock pledged	500.00 Lac
(iv)	SDF	310.00 Lac
(v)	Term Loans (Cars & Tractor Trolla)	101.72 Lac

During the current year, there was a net addition of Rs. 1735.04 Lac of debts (Secured Loan) mainly due to New Short Term Loan from IDBI, Term Loan from SDF, Renewal & Enhancement of Cash Credit Limit from Rs. 700.00 Lac to 1000.00 Lac and enhancement of Short Term Loan from Axis Bank Limited against Warehouse receipts. 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 1.39: 1 and interest service cover ratio of 2.32 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. 143.47 Lac in FY's 09 to Rs. 193.14 Lac in FY's 10, representing an increase of 34.62%, primarily on account of a rise in overall debt level through CC limit. Interest cost on an average was 14.00% in FY 10.

(ii) **Capital Expenditure:** Net Block including Capital Work -in -Progress of the Company was Rs. 3767.21 Lac in FY's 09 in comparison of Rs. 3610.06 Lac in FY's 10. There was no major investment during the FY's 10.

(iii) **Depreciation:** Depreciation increased by Rs. 3.43 lacs in FY's 10 in comparison to previous year.

(iv) **Working Capital Management:** The overall net working capital was 35.94 % of the revenues in FY's 10. It was increased from Rs. 1375.39 in FY's 09 to Rs. 2733.31 Lac in the current year.

(v) **Debtors:** Substantial Sugar Sales are on the cash basis; hence receivables cycle is very nominal. Debts for more than six months decreased by 26.73% in FY's 10 to Rs. 39.34 Lac compared to PY 09 of Rs. 53.68 Lac. This comprises 11.36 % of total receivables as on 31st March, 10 against 37.32 % on 31st March, 09.

(vi) **Loans & Advances:** In FY's 10, loans & advances stood at Rs. 591.22 Lac, compared to Rs. 243.17 Lac in FY's 09.

(vii) **Capital Employed** : The total capital employed increased from Rs.5321.85 Lac in FY's 09 to Rs. 7040.59 Lac in FY's 10, an increase of 32.29%.

(viii) **Management of Surplus Funds** : Carried forward losses have been fully wiped out due to reasonably good PAT & a surplus of Rs. 6.17 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.

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

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, 2010, 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.

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 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 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 2010,

      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

CA. S.K.KANSAL
PARTNER
M.NO.080632

PLACE: NEW DELHI
DATE :

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 financial institutions. The maximum amount outstanding during the year is Rs.1840.87 lacs and year-end balance is Rs.1626.35 lacs.

Name of Person	Closing Balance (Rs.)	Maximum outstanding Balance(Rs)
From Directors		
Parmjeet Singh	3,50,00,000	3,50,00,000
Manjeet Singh	2,11,00,000	2,11,00,000
From Relatives		
Moon Trading Co.(P) Ltd	1,27,25,000	1,97,25,000
Moon Network Pvt. Ltd.	2,60,10,000	3,39,60,000
Moon Restaurant Pvt. Ltd.	2,33,00,000	2,90,00,000
Moon I.T Services Pvt. Ltd.	10,00,000	10,00,000
Rajan Hotel Pvt. Ltd.	3,00,00,000	3,00,00,000
G.T.Cold Store	60,00,000	64,61,917
Mathura Ice and Cold Store	75,00,000	78,40,000
Total (Amt. in Rs.)	**16,26,35,000**	**18,40,86,917**

(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 the previous year from the promoters /Directors' family 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.

(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.

However 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, 2010 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 no dues of sales tax, income tax, service tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except as per **Annexure 1** to the report.

(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.

(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

PLACE: NEW DELHI
DATE

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.

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	-	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 Addtnal Commissioner
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.

F.Y. 2009-10 (Penalty)	3.60	0.73	Dy. Commissioner of Sales Tax Assessment raised demand for Penalty, matter to be appealed.
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, 2010

PARTICULARS	SCHEDULES		AS ON 31.03.2010 (Rs.)		AS ON 31.03.2009 (Rs.)
Shareholders Funds					
a) Share Capital	I		64,610,500		64,610,500
b) Reserves & Surplus	II		161,047,695		159,010,800
Loan Funds					
a) Secured Loans	III		314,503,359		140,999,504
b) Unsecured Loans	IV		163,897,253		167,565,253
Deferred Tax Liability			10,935,067		1,667,200
	TOTAL		714,993,874		533,853,257
APPLICATION OF FUNDS					
Fixed Assets	V				
Gross Block		722,131,767		698,030,524	
Less Depreciation		356,212,894		324,982,406	
Net Block		365,918,873		373,048,118	
Capital Work in Progress		1,187,624	367,106,497	3,673,103	376,721,221
Current Assets, Loans & Advances	VI				
a) Inventories		441,809,077		174,581,028	
b) Sundry Debtors		34,634,273		14,386,572	
c) Cash & Bank Balances		56,128,045		8,785,507	
d) Loans & Advances		59,114,937		24,316,794	
		591,686,332		222,069,901	
Less:					
Current Liabilities & Provisions	VII	243,798,956	347,887,377	86,139,601	135,930,301
Misc. Expenditure (to the extent not written-off or adjusted)	VIII		-		21,201,735
	TOTAL		714,993,874		533,853,257

Significant Accounting Policies and Notes on Accounts — XVI

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

SANJIVA GAUR	PRADEEP KUMAR	PARAMJEET SINGH	MANJEET SINGH
(COMPANY SECRETARY)	(MANAGER ACCOUNTS)	(MANAGING DIRECTOR & CEO)	(DIRECTOR)

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

(CA. S.K. KANSAL)
PARTNER
FRN 003897N

Place: NEW DELHI
Date : 27/07/2010

OSWAL OVERSEAS LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 01/04/2009 TO 31/03/2010

PARTICULARS	SCHEDULES	Year Ended 2009-10 (Rs.)		Year Ended 2008-09 (Rs.)	
INCOME					
Sales (Gross)	IX	795,021,248		627,379,173	
Less: Excise Duty		37,843,823	757,177,425	43,160,472	584,218,702
Misc. Income	X		3,284,080		774,777
Govt. subsidy received			-		500,000
Increase/(Decrease) in stock of Finished goods			274,742,505		10,079,107
Excise duty on Closing stock			(17,052,747)		(10,942,468)
	TOTAL		1,018,151,263		584,630,117
EXPENDITURE					
Raw Materials Consumed	XI		836,367,341		437,652,148
Manufacturing Expenses	XII		47,306,560		49,065,379
Employment Expenses	XIII		24,680,923		25,991,176
Administrative & Selling Expenses	XIV		32,408,493		19,700,342
Financial Expenses	XV		19,314,257		14,647,360
Depreciation	V		31,230,488		30,887,427
	TOTAL		991,308,063		577,943,832
Profit\ (Loss) for the year			26,843,200		6,686,285
Prior Period Expenses			(253,976)		(133,138)
Prior period Income on account of reversal of Provisions			299,748		
Transferred to Reserve for Molasses Storage Fund			(1,419,874)		-
Net Profit\ (Loss) for the year			25,469,098		6,553,146
Less:					
- Income Tax (Prior Period)			2,658		-
- Income Tax (Current Year)			5,058,140		688,569
- Fringe Benefit Tax			-		389,142
- Wealth Tax			11,191		33,663
- Deferred Tax Liability			9,267,867		1,667,200
Add: MAT credit			5,058,140		-
Add: MAT credit (Previous Years)			5,631,374		-
Net Profit after tax			21,818,755		3,774,572
Balance Brought Forward			(21,201,735)		(24,976,307)
Profit/Loss carried to Balance Sheet			617,020		(21,201,735)
Earning Per Share(Face Value Rs. 10/-) Basic/Diluted			3.38		0.58

Significant Accounting Policies and Notes On Accounts — XVI

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

SANJIVA GAUR	PRADEEP KUMAR	PARAMJEET SINGH	MANJEET SINGH
(COMPANY SECRETARY)	(MANAGER ACCOUNTS)	(MANAGING DIRECTOR & CEO)	(DIRECTOR)

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

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

Place: NEW DELHI
Date : 27/07/2010

OSWAL OVERSEAS LIMITED, NAWABGANJ
CASH FLOW STATEMENT

(Rs. In Lacs)

PARTICULARS	31.03.2010	31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEM	268.43	66.86
Adjustment for:		
Depreciation	312.30	308.87
Prior Period Expenses	(2.54)	(1.33)
Prior Period Income	3.00	-
Taxes Paid	(0.14)	-
Interest Paid	193.14	146.46
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	774.20	516.65
Change in Trade and other receivable	(494.19)	226.84
Change in Inventories	(2,672.28)	(110.35)
Change in Trade Payables	1,576.64	(1,477.84)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(815.63)	(844.70)
NET CASH FROM OPERATING ACTIVITIES	**(815.63)**	**(844.70)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(216.16)	(80.66)
NET CASH USED IN INVESTING ACTIVITIES	**(216.16)**	**(80.66)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) long term & W.Capital borrowings	1,735.04	688.80
Proceeds from unsecured loans	(36.68)	113.30
Interest paid	(193.14)	(146.47)
NET CASH FROM FINANCING ACTIVITIES	**1,505.22**	**655.63**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**473.43**	**(269.73)**
CASH AND CASH EQUIVALENTS AS AT BEGINNING	**87.86**	**357.58**
CASH AND CASH EQUIVALENTS AS AT END	**561.29**	**87.86**

Sanjiva Gaur
SANJIVA GAUR
(COMPANY SECRETARY)

PARDEEP KUMAR
(MANAGER ACCOUNTS)

Paramjeet Singh
PARAMJEET SINGH
(MANAGING DIRECTOR & CEO)

Manjeet Singh
MANJEET SINGH
(DIRECTOR)

Auditors' Report

We have examined the above cash flow sataement of M/s. Oswal Overseas Ltd. for the year ended 31st March, 2010. The Statement has been prepared by the Comapany in accordance with the requirements of Accounting Standard (AS -3) and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For Kansal Singla & Associates
Chartered Accountants
(S.K. KANSAL)
PARTNER
M.No. 80632

Place: NEW DELHI
Date: 27/07/2010

OSWAL OVERSEAS LIMITED

PARTICULARS	As On 31.03.2010 Rs. AMOUNT	As On 31.03.2009 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	1,419,874	-
Surplus from Profit and loss account	617,020	-
TOTAL	**161,047,695**	**159,010,800**
SCHEDULE - III SECURED LOANS		
A Term Loans		
HDFC Car Loan	4,507,248	1,531,887
ICICI Car Loan	1,075,362	1,928,671
BOB Tractor/Trolla Loan	3,089,357	-
UCO Bank Trolla Loan	1,500,000	-
SDF Loans	31,000,000	-
	41,171,967	**3,460,558**
B Working Capital Limits		
S.B.I. Nawabganj	73,331,793	67,974,350
Short Term Loan From Axis Bank	149,999,599	69,564,596
Short Term Loan From IDBI Bank	50,000,000	-
	273,331,392	**137,538,946**
TOTAL	**314,503,359**	**140,999,504**

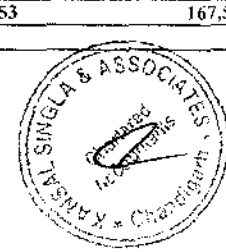
NOTES :

1 Working Capital 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

2 Loan from 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 particulars vehicles

SCHEDULE - IV UNSECURED LOANS		
Promoters and their associates		
-Inter Corporate	93,035,000	113,935,000
-Directors and Relatives	56,100,000	52,350,000
-Others	13,500,000	-
Dealers deposits	1,262,253	1,280,253
TOTAL	**163,897,253**	**167,565,253**



OSWAL OVERSEAS LTD. (NAWABGANJ)

DEPRECIATION CHART ON FIXED ASSETS AS PER COMPANIES ACT, 1956 UNDER S.L.M. METHOD FOR THE YEAR ENDED 31ST MARCH, 2010

SCHEDULE - V

PARTICULARS	RATE OF DEPRECIATION SLM METHOD	GROSS BLOCK				DEPRECIATION							NET BLOCK	
		COST AS ON 01.04.2009	ADDITIONS DURING THE YEAR	SALES / ADJUSTMENTS	COST AS ON 31.03.2010	BALANCE AS ON 01.04.2009	ON OPENING BALANCE	ON ADDITION	ON SALES / ADJUSTMENT	FOR THE YEAR	DEP. RES. ON SOLD	AS ON 31.03.2010	W.D.V. AS ON 31.03.2010	W.D.V. AS ON 31.03.2009
Land		14,904,219	1,433,872	-	16,338,091	-	-	-	-	-	-	-	16,338,091	14,904,219
Site Development		12,336,059	-	-	12,336,059	-	-	-	-	-	-	-	12,336,059	12,336,059
Factory Building	3.34%	103,438,138	4,216,500	-	107,654,638	37,192,340	3,454,834	386	-	3,455,219	-	40,647,559	67,007,078	66,245,798
Non Factory Building	1.63%	82,483,822	-	-	82,483,822	13,655,211	1,344,486	-	-	1,344,486	-	14,999,697	67,484,125	68,828,611
Plant & Machinery	5.28%	433,840,002	7,338,773	-	441,178,775	240,055,391	22,906,752	235,945	-	23,142,697	-	263,198,088	177,980,686	193,784,610
Electric Installation	13.91%	8,641,675	-	-	8,641,675	8,641,675	(0)	-	-	-	-	8,641,675	(0)	(0)
Furniture & Fixture	6.33%	4,085,417	59,292	-	4,144,709	2,444,141	258,607	1,456	-	260,063	-	2,704,204	1,440,505	1,641,276
Office Equipment	6.33%	697,649	24,100	-	721,749	294,970	44,161	454	-	44,615	-	339,585	382,164	402,679
Misc. Fixed Asset	4.75%	17,541,611	115,392	-	17,657,003	11,411,349	833,226	2,774	-	836,000	-	12,247,349	5,409,654	6,130,262
Vehicles	9.50%	13,866,613	10,745,330	-	24,611,943	6,139,505	1,317,328	322,230	-	1,639,558	-	7,779,063	16,832,881	7,727,109
Air Conditioners	13.91%	1,108,993	63,410	-	1,172,403	797,003	154,261	-	-	154,261	-	951,264	221,139	311,990
Computers	16.21%	4,233,863	63,250	-	4,297,113	3,911,051	196,790	4,344	-	201,134	-	-4,112,185	184,928	322,812
Mobile Set	6.33%	141,464	41,329	-	182,793	13,174	8,955	1,300	-	10,255	-	23,429	159,364	128,290
Software	5 year	711,000	-		711,000	426,600	142,200	-	-	142,200	-	568,800	142,200	284,400
Total		**698,030,524**	**24,101,248**	**-**	**722,131,771**	**324,982,409**	**30,661,600**	**568,889**	**-**	**31,230,488**	**-**	**356,212,897**	**365,918,875**	**373,048,115**
Capital Work In Progress													1,187,624	3,673,103
Total		698,030,524	24,101,248	-	722,131,771	324,982,409	30,661,600	568,889	-	31,230,488	-	356,212,897	367,106,499	376,721,219
PREVIOUS YEAR FIGURES		689,091,580	8,938,944	-	698,030,524	294,094,980	30,466,759	420,670	-	30,887,429	-	324,982,409	376,721,219	399,542,753

KAPIL SINGLA & ASSOCIATES * Chartered Accountants * Chandigarh

PARTICULARS	As On 31.03.2010 Rs. AMOUNT	As On 31.03.2009 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	8,715,192
Finished Goods :		
White Crystal Sugar	386,512,277	118,561,973
Sugar(biss)	2,025,000	880,000
Ingut	2,507,642	8,609,143
Runner Riser	1,320,200	-
Bye-Products		
Molasses	19,748,946	22,739,273
Bagasse	2,776,061	299,700
Store and Spares	24,549,774	14,775,747
TOTAL	441,809,077	174,581,028
b) Sundry Debtors:		
(Unsecured, considered good)		
-Outstanding for over 6 months	3,934,200	5,368,861
-Others	30,700,074	9,017,712
TOTAL	34,634,273	14,386,572
c) Cash & Bank Balances		
Cash-in-Hand	2,604,245	751,183
Balances with Scheduled Banks		
i) In Saving Accounts	-	17,185
ii) In Current Accounts	51,486,161	6,439,567
iii) F.D.R's with Bank	188,368	1,230,661
Stamp papers in hand	346,912	346,912
Cheques in hand	1,502,359	-
TOTAL	56,128,045	8,785,507
B LOANS & ADVANCES(Considered good ,Recoverable in cash or in kind)		
Cane Transporters	29,303	26,686
Contractors	652,233	189,212
Pre-Paid Expenses	417,193	294,923
Adm. charges prepaid on Molasses	56,800	11,797
Taxes & Duties deposited under protest	2,136,376	1,778,014
Modvat Credit Available	1,819,226	1,921,326
TDS On FDR Interest (BOB NG)	42,292	21,090
TDS-Job Work Receipts	60,293	-
Furnace Unit	-	-
Power Unit	-	-
Head Office	-	-
Taxes & Duties Recoverable	1,352,548	1,596,671
Security Deposits	196,536	194,026
Interest Accrued but not due	-	59,662
Staff Imprest	527,490	194,478
Staff Salary Advance	103,479	103,737
Advances for purchases	18,890,940	2,918,103
Advance To Cane Growers (Net)	2,130,191	10,138,804
FBT/ I.Tax Advance	82,217	341,359
Advance for land	1,600,154	-
Advance to growers- fertilizers	2,688,550	-
Advance to growers- cane seeds	10,389,935	-
Advance to growers- pestisides	1,929,663	-
Mat credit Asset	10,689,514	-
Other Advances	3,320,006	4,526,907
TOTAL	59,114,937	24,316,794
G. TOTAL	591,686,332	222,069,901



PARTICULARS	As On 31.03.2010 Rs. AMOUNT	As On 31.03.2009 Rs. AMOUNT
SCHEDULE - VII CURRENT LIABILITIES & PROVISIONS		
Current Liabilities :-		
Sundry Creditors :		
- For Goods	15,435,595	9,296,985
- Cane Price & Soc. Comm. Payable	123,382,533	18,131,632
- Contractors	2,110,416	775,755
- Cane transporters	1,404,425	415,550
- Others Payables(Incl bills payable)	12,243,699	4,250,561
Expenses Payable	10,860,599	10,541,799
Intt.accrued but not due	1,753,679	-
Advance from Customers	7,327,997	30,251,085
Cheques pending encashment	47,169,126	456,054
Provision for Current Tax	5,058,140	688,569
Provision for excise duty on closing stock	17,052,747	10,942,468
Provision for FBT	-	389,142
TOTAL	**243,798,956**	**86,139,601**
SCHEDULE - VIII MISC. EXPENDITURE(to the extent nor written off or adjusted)		
Profit and Loss Account	-	21,201,735
SCHEDULE - IX SALES		
Sugar	595,000,930	439,120,863
Molasses	61,947,662	59,555,901
Bagasse	35,640,836	17,260,377
Pressmud	1,920,295	844,264
Ingut	99,819,988	109,548,363
Scrap	650,000	-
Miscelleneous	41,538	1,049,406
TOTAL	**795,021,248**	**627,379,173**
SCHEDULE - X MISC. INCOME		
Unclaimed Balances Written Off/Back	20,280	-
Previous Year Exp. Written Off/Back	-	115,369
Interest Received	92,882	73,663
Job Work Receipts	2,969,550	-
Other Income	201,368	585,745
	3,284,080	774,777

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

PARTICULARS	As On 31.03.2010 Rs. AMOUNT	As On 31.03.2009 Rs. AMOUNT
SCHEDULE - XI RAW MATERIALS CONSUMED		
Opening Stock Of Sugar Cane	-	122,793
Add: Purchases During The Year	723,788,396	327,863,702
Less: Closing Stock	-	-
Raw Material Consumed	723,788,396	327,986,495
Opening Stock Of Furnace	8,715,192	3,874,056
Add: Purchase During The Year	62,307,866	80,949,914
Less: Closing Stock	2,369,178	8,715,192
Raw Material Consumed	68,653,880	76,108,778
Transportation Charges	6,435,735	4,210,566
Loading Charges	2,072,851	1,042,672
Purchase Tax	6,178,801	4,746,461
Society Commission	12,033,215	5,778,817
Cane Outcentre Expenses	579,823	496,597
Cane Development Expenses	16,624,641	17,281,763
TOTAL	**836,367,341**	**437,652,148**
SCHEDULE - XII MANUFACTURING EXPENSES		
Repair Plant & Machinery	13,344,042	20,415,238
Process Store Consumed	16,668,298	11,695,543
Chemical Store Consumed	9,725,450	9,828,706
D.G.Set Running Exp.	3,434,000	3,614,822
Lubricant & Grease Consumed	1,347,791	1,537,532
Sugar Stacking & Frd. Charges	1,057,833	818,207
Fuel Expenses	395,426	-
Bagasse Handling Charges	605,487	620,701
Loading & Unloading Exp.	494,207	241,348
Other Mfg. Exp.	234,025	293,282
Excise Duty on Closing Stock		
TOTAL	**47,306,560**	**49,065,379**
SCHEDULE - XIII EMPLOYMENT EXPENSES		
Salaries & Wages	16,859,337	16,456,875
Bonus	439,150	302,777
Gratuity	82,608	203,471
Leave Encashment	47,469	241,270
Contractor Labour	3,689,977	5,109,547
Company's Contribution To Provident Fund	238,803	246,176
Company's Contribution Family Pension	541,954	558,620
Admn. Charges On Provident Fund	72,220	73,769
Employees Deposit Linked Insurance	32,532	33,533
Medical Expenses	532,277	499,224
Retaining Allowances	365,159	295,322
Security Expenses	1,724,853	1,905,545
Workers & staff welfare Expenses	49,184	56,477
Recruitment Expenses	5,400	8,570
TOTAL	**24,680,923**	**25,991,176**

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

PARTICULARS	As On 31.03.2010 Rs. AMOUNT	As On 31.03.2009 Rs. AMOUNT
SCHEDULE - XIV ADMINISTRATION AND SELLING EXPENSES		
Repairs And Maintenance	14,677,143	5,393,776
Rent	1,198,250	1,139,560
Travelling Expenses - Staff	747,149	658,092
Conveyance Expenses	1,142,869	1,113,891
Advertisement & Publicity	75,124	105,883
Business Promotion	47,373	49,415
Charity & Donation	27,001	44,042
Electricity & Water Charges	504,524	542,242
Entertainment Exp.	517,519	303,692
Audit Fees	125,000	100,000
Audit Expenses	24,132	15,320
General Expenses	377,608	383,740
Horticulture Expenses	2,587,836	268,748
Insurance	602,984	538,454
Legal & Professional Fees & Exps.	3,016,103	1,916,102
Postage & Telephones Exps.	565,555	591,613
Printing & Stationary Exps.	433,524	462,175
Rates,Taxes,Fees & Subscription	1,587,331	608,523
Canteen expenses	274,295	307,073
Fine & Penalty	74,500	40,504
Website expenses	4,500	-
Dairy Expenses	72,965	-
Drill Machine Expenses	503,996	-
R & D Expenses	5,750	-
Bad debts	-	66,919
Service Tax (earlier years)	-	391,965
UPTT & VAT Paid	124,493	2,284,940
SUB TOTAL	**29,317,525**	**17,326,667**
SELLING EXPENSES		
Brokerage Commission	309,467	540,904
Discount & other Selling Exp.	-	50,027
Truck Freight Exp.	2,572,160	1,624,394
Service Tax paid on o.w truck freight	59,835	-
Loading Charges-Sugar	149,506	158,350
SUB TOTAL	**3,090,968**	**2,373,675**
TOTAL	**32,408,493**	**19,700,342**
SCHEDULE - XV FINANCIAL EXPENSES		
Interest on Term Loan/Car Laon	498,403	2,146,564
Interest on Working Capital	14,090,696	11,440,866
Interest on Unsecured Loans	1,467,917	-
Interest on tractor & trolla loan	172,770	-
Interest on Farmer's crop Loan	1,362,181	-
Other Interest	119,580	119,241
Bank Charges & Other Fin. exp.	1,602,710	940,689
TOTAL	**19,314,257**	**14,647,360**

KANSAL SINGLA & ASSOCIATES Chartered Accountants Chandigarh

OSWAL OVERSEAS LIMITED

SCHEDULE XVI

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2010

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.

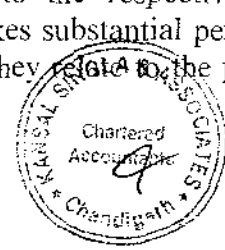
(a) Revenue from sale of goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.
(b) Other income is accounted for on accrual basis as and when the right to receive arises.

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. **Sales Tax**

Sales Tax liabilities are accounted for on the basis of Sales 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.



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. NOTES ON ACCOUNTS

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 2006-2007.

b) The assessment of Income Tax has been completed up to Assessment Year 2008-09.

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



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

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
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 Dy. Commissioner of Sales Tax (Appeals)	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 Jt. Comm.	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	3.29
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	6.87
9. Dy. Commissioner of Trade Tax Assessment raised demand for Penalty u/s 10A/10B for F.Y. 2005-06, appeal filed with Jt. Comm.	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

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 Additonal Commissioner.	0.61	-
15. Dy. Commissioner of Sales Tax Assessment raised demand for Penalty(u/s 15a(1)(o)) for F.Y. 2006-07, 50% of which has been stayed by Hon'ble Additonal Commissioner.	2.69	-
16. Dy. Commissioner of Sales Tax Assessment forfeited security taken by Sachal Dal F.Y. 2008-09. matter pending with Addtnal Commissioner(A)	0.48	-
17. Dy. Commissioner of Sales Tax Assessment raised demand for Penalty for F.Y. 2009-10, matter to be appealed to Addtnal Commissioner(A)	3.60	-

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 stoarge loss of 1320 quintals, an appeal has been filed with the revenue authority for which demand has been stayed.	1.01	1.01

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.

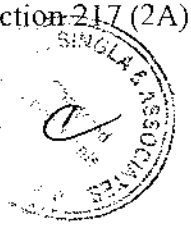
3. Capital work in progress includes advances against capital works.

4. During the year reserve for Molasses Storage Fund has been created to comply with the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964 amounting to Rs. 14.20 lacs, inclusive of earlier years.

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

6. **AUDITORS REMUNERATION**	**31.03.2010**	**31.03.2009**
As audit fees	100000	80000
As tax audit fees	25000	20000
Service Tax	12875	12360
Reimbursement of expenses	15000	10000

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	
	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.10	31.03.09
Segment Revenue											
External Sales	6,952.01	5,171.34	998.20	1,102.45	-	-	-	-	-	7,950.21	6,273.79
Job Work Receipts	-	-	-	-	-	-	29.70	-	-	29.70	-
Inter Segment Sale	63.43	48.00			80.55	82.69	-		(143.97)	-	-
Total Sales	**7,015.44**	**5,219.35**	**998.20**	**1,102.45**	**80.55**	**82.69**	**29.70**	**-**	**(143.97)**	**7,979.91**	**6,273.79**
Less : Excise Duty	297.43	315.92	81.01	115.68	-	-	-	-	-	378.44	431.60
Net Sales	**6,718.01**	**4,903.42**	**917.19**	**986.77**	**80.55**	**82.69**	**29.70**	**-**	**-**	**7,601.47**	**5,842.19**
Segment Results											
Operating Profit	704.31	325.53	2.68	38.91	4.53	13.29	22.86	-	-	**734.38**	**364.44**
Less: Unallocable expenditure										293.18	173.27
Less : Interest Expenses										172.77	124.31
Profit Before Tax										268.43	66.86
Income Tax Prev. Years										0.03	-
Provision for Current Tax										50.58	6.89
Provision for Fringe Benefit Tax										-	3.89
Deferred Tax Liability										92.68	16.67
Wealth Tax										0.11	0.34
Prior Period Expense										2.54	1.33
Prior Period Income										3.00	-
MAT Credit Asset Transfer to Molasses Reserve										106.90 14.20	-
Profit After Tax										218.19	37.75
Other Information											
Segment Assets	8863.01	5,320.27	792.94	752.84	481.48	406.38	68.86	-	(930.09)	**9276.20**	6,332.03
Unallocated assets	-	-	-	-	-	-	-	-	-	286.74	272.40
Total Assets										**9562.94**	**6,604.43**
Segment Liability	5676.10	2,377.58	592.97	555.43	173.05	102.48	46.00	-	(930.09)	**5558.03**	2,888.01
Unallocated liabilities										1748.32	1,675.65
Total Liabilities										**7306.36**	**4,563.66**
Capital Expenditure (Net)	194.10	61.44	1.48	27.95	0.38	-	45.06	-	-	**241.01**	89.39
Depreciation	293.29	291.85	13.83	13.67	3.39	3.36	1.80	-	-	**312.30**	308.87
Non Cash Expenses	-	-	-	-	-	-	-	-	-	-	-

9.	**Earning per Share**	**2009-10**	**2008-09**
	(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)	218.19	37.74
	(c) Basic and diluted earnings per shares (Rs.) (Face Value Rs 10/-)	3.38	0.58

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	435.60	47.50	0.00
	(b) Paid during the year	275.00	10.00	0.00
	(C.) Year end balances	930.35	211.00	350.00

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

Managing Director	2009-10	2008-09
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 31.3.2010	As at 31.3.2009
A) Deferred Tax Liability		
- Difference Between Carrying amount of Fixed Assets	2097.50	2221.74
Total (A)	**2097.50**	**2221.74**
B) Deferred Tax Asset		
i) Unabsorbed Depreciation as per Income Tax Returns	1568.18	2069.36
ii) Carried Forward Business Losses		
ii) Expenses Disallowed under section 43B of Income Tax Act		
- Effect of Section 145A	139.49	62.25
- Bonus	4.39	3.03
- Provision for Gratuity	10.76	13.41
- Provision for Leave Encashment	6.62	6.97
- Interest on Loan from Axis Bank	17.54	9.06
Purchase tax payable	28.79	8.62
Total (B)	**1775.77**	**2172.69**
Net Deferred Tax Liability/(Asset) (A)-(B)	321.73	49.05
Tax Impact	109.36	16.67

13. **Impairment of Assets**

As per AS-28 Impairment of Assets issued by ICAI, the management has reviewed its cash generating unit as on 31.03.2010. 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	-
Gross Carrying amount at the end	1.42
Accumulated amortization at the beginning	-
Accumulated amortization at the end	5.69

15. Movement of Provisions

(Rs in Lacs)

Provisions	Income Tax	Fringe Benefit Tax	Bonus	Gratuity	Leave Encashment
Opening Balance	6.89	3.89	3.03	13.41	6.97
Add:Additions	50.58	0	4.39	0	0
Less:Amount Used	6.89	3.89	3.03	0	0
Less:Unused Amount Reversed	0	0	0	2.65	0.35
Closing Balance	50.58	0	4.39	10.76	6.62

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	**2009-10**	**2008-09**
Value of Imports calculated on CIF basis	NIL	131.34
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	131.34

For KANSAL SINGLA & ASSOCIATES,
Chartered Accountants

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

PLACE: NEW DELHI
DATED: 27/07/2010

OSWAL OVERSEAS LIMITED

Statement of Increase/Decrease in Inventories

PARTICULARS	As on 31.03.2010		As on 31.03.2009	
	Qty.	AMOUNT (Rs.)	Qty.	AMOUNT (Rs.)
OPENING STOCK (Qtls.)				
- Sugar	60,502.00	118,561,973.16	63,761.00	89,490,476.00
- Molasses	56,530.20	22,739,272.95	71,648.90	28,659,560.00
- Bagasse	1,998.00	299,700.00	30,445.00	3,805,625.00
- Sugar in Process	-		7,043.00	9,508,050.00
- Molasses in process	-	-	8,798.00	3,519,200.00
- Sugar (BISS)	800.00	880,000.00	-	-
- Ingot (MT)	343.13	8,609,142.69	303.37	6,028,071.00
TOTAL		**151,090,088.80**		**141,010,982.00**
PRODUCTION (Qtls.)				
- Sugar	264,651.00		215,425.00	
- Molasses	159,410.00		117,943.00	
- Sugar in process			-	
- Molasses in process			-	
- Bagasse (Saleable)	167,573.43		76,335.70	
- Sugar (BISS)	750.00		800.00	
- Ingots (MT)	3,484.93		3,877.68	
- Runner Riser	57.40			
SALES (Qtls.)				
- Sugar	180,178.00		218,684.00	
- Molasses	160,908.80		133,061.70	
- Molasses(Shortage)				
- Bagasse (Salaeble)	157,501.60		104,782.70	
- Old Sugar reprocessed	-			
- Sugar (BISS) reprocessed	800.00			
- Ingut (MT)	3,730.41		3,837.92	
REPROCESS (Qtls.)				
- Sugar			-	
CLOSING STOCK (Qtls.)				-
- Sugar	97,361.00	320,108,363.85	60,502.00	118,561,973.1
- Sugar Levy	47,614.00	66,403,912.82		
- Molasses	44,914.90	16,944,146.03	56,530.20	22,739,272.
- Molasses (levy)	10,116.50	2,804,799.63		
- Bagasse	12,069.83	2,776,060.90	1,998.00	299,70
- Sugar in process	-	-	-	
- Molasses in process	-	-	-	
- Sugar (BISS)	750.00	2,025,000.00	800.00	880,00
- Runner Riser(MT)	57.40	1,320,200.00		
- Ingut (MT)	97.65	2,507,642.27	343.13	8,609,142.
TOTAL		**414,890,125.49**		**151,090,088.8**
Increase/(Decrease) in Stock		**274,742,504.97**		

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 31.03.2010		For the year ended 31.03.2009	
	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 BHSS)	265,401.00		216,225.00	
Molasses	159,410.00		117,943.00	
Ingut (MT)	3,484.93		3,877.68	
IV. Sales				
White Sugar	180,178.00	5,950.01	218,684.00	4,391.21
Molasses	160,908.80	619.48	133,061.70	595.56
Bagasse	157,501.60	356.41	104,782.70	172.60
Pressmud	-	19.20	-	8.44
Ingut	3,730.41	1,095.48	3,837.92	1,095.48
Sales Misc.	-	6.92	-	10.49
V. Closing Stock				
White Sugar	144,975.00	3,865.12	60,502.00	1,185.62
Molasses	55,031.40	197.49	56,530.20	227.39
Bagasse	12,069.83	27.76	1,998.00	3.00
Sugar in process	-	-	-	-
Ingut	97.65	25.08	343.13	86.09
VI. Raw Material Consumed				
Sugar Cane	3087351.66	7,237.88	2,372,159	3,279.86
Recovery (%)	8.60		9.12	

B. BIFURCATION OF MATERIAL AND STORES CONSUMED	Imported Rs. in lac	Indigenous Rs. in lac	%	Imported Rs. in lac	Indigenous Rs. in lac	%
Raw Material	--	7,237.88	100.00	--	3,279.86	100.00
Components & Spares	--	110.73	100.00	--	113.66	100.00
Packing Material	--	169.14	100.00	--	116.96	100.00
C. FINISHED GOODS PURCHASED	Nil	Nil	Nil	Nil	Nil	Nil
D. CIF Value of imports						
Raw Materials	Nil	Nil	Nil	131.34	Nil	100.00
E. Expenditure in foreign Currency	Nil	Nil	Nil	131.34	Nil	100.00
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.

Place: NEW DELHI
Date : 27/07/2010

OSWAL OVERSEAS LIMITED, NAWABGANJ (BAREILLY)

Balance Sheet Abstract and Company's General Business Profile.

	FOR THE YEAR ENDED 31.03.2010		FOR THE YEAR ENDED 31.03.2009	
I. Registration Details				
Registration No.	18268	State Code	18268	State Code
Balance Sheet Date	31.03.2010	55	31.03.2009	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
	7149.94	7149.94	5338.53	5338.53
Sources of Funds				
	Paid up Capital	Reserve & Surplus	Paid up Capital	Reserve & Surplus
	646.11	1610.48	646.11	1590.11
	Secured Loans	Unsecured Loans	Secured Loans	Unsecured Loans
	3145.03	1638.97	1410.00	1675.65
	Deferred Tax Liability		Deferred Tax Liability	
	109.35		16.67	
	Total		Total	
	7149.94		5338.53	
Application of Funds				
	Net Fixed Assets	Investments	Net Fixed Assets	Investments
(incl. Capital Work in Progress)	3671.06	0.00	3767.21	0.00
	Net Current Assets	Misc. Expenditure	Net Current Assets	Misc. Expenditure
	3478.87	0.00	– 1359.30	212.02
	Total		Total	
	7149.94		5338.53	
IV. Performance of Company				
	Turnover	Total Expenditure	Turnover	Total Expenditure
	7571.77	7171.19	5842.19	5679.98
	Profit/(Loss) Before Tax	Profit/(Loss) After Tax	Profit/(Loss) Before Tax	Profit/(Loss) After Tax
	254.69	218.19	65.53	37.75
	Earning per share	Dividend	Earning per share	Dividend
	3.38	0.00	0.58	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

SCHEDULE XVI

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2010

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.

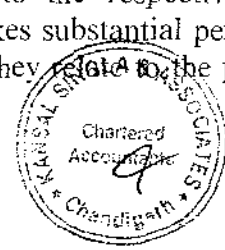
(a) Revenue from sale of goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.
(b) Other income is accounted for on accrual basis as and when the right to receive arises.

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. **Sales Tax**

Sales Tax liabilities are accounted for on the basis of Sales 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.



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. NOTES ON ACCOUNTS

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 2006-2007.

b) The assessment of Income Tax has been completed up to Assessment Year 2008-09.

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



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

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
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 Dy. Commissioner of Sales Tax (Appeals)	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 Jt. Comm.	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	3.29
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	6.87
9. Dy. Commissioner of Trade Tax Assessment raised demand for Penalty u/s 10A/10B for F.Y. 2005-06, appeal filed with Jt. Comm.	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

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 Additonal Commissioner.	0.61	-
15. Dy. Commissioner of Sales Tax Assessment raised demand for Penalty(u/s 15a(1)(o)) for F.Y. 2006-07, 50% of which has been stayed by Hon'ble Additonal Commissioner.	2.69	-
16. Dy. Commissioner of Sales Tax Assessment forfeited security taken by Sachal Dal F.Y. 2008-09. matter pending with Addtnal Commissioner(A)	0.48	-
17. Dy. Commissioner of Sales Tax Assessment raised demand for Penalty for F.Y. 2009-10, matter to be appealed to Addtnal Commissioner(A)	3.60	-

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 stoarge loss of 1320 quintals, an appeal has been filed with the revenue authority for which demand has been stayed.	1.01	1.01

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.

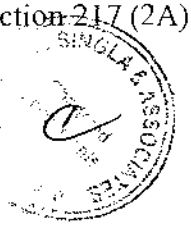
3. Capital work in progress includes advances against capital works.

4. During the year reserve for Molasses Storage Fund has been created to comply with the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964 amounting to Rs. 14.20 lacs, inclusive of earlier years.

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

6. **AUDITORS REMUNERATION**	**31.03.2010**	**31.03.2009**
As audit fees	100000	80000
As tax audit fees	25000	20000
Service Tax	12875	12360
Reimbursement of expenses	15000	10000

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	
	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.10	31.03.09
Segment Revenue											
External Sales	6,952.01	5,171.34	998.20	1,102.45	-	-	-	-	-	7,950.21	6,273.79
Job Work Receipts	-	-	-	-	-	-	29.70	-	-	29.70	-
Inter Segment Sale	63.43	48.00			80.55	82.69	-		(143.97)	-	-
Total Sales	**7,015.44**	**5,219.35**	**998.20**	**1,102.45**	**80.55**	**82.69**	**29.70**	**-**	**(143.97)**	**7,979.91**	**6,273.79**
Less : Excise Duty	297.43	315.92	81.01	115.68	-	-	-	-	-	378.44	431.60
Net Sales	**6,718.01**	**4,903.42**	**917.19**	**986.77**	**80.55**	**82.69**	**29.70**	**-**	**-**	**7,601.47**	**5,842.19**
Segment Results											
Operating Profit	704.31	325.53	2.68	38.91	4.53	13.29	22.86	-	-	**734.38**	**364.44**
Less: Unallocable expenditure										293.18	173.27
Less : Interest Expenses										172.77	124.31
Profit Before Tax										268.43	66.86
Income Tax Prev. Years										0.03	-
Provision for Current Tax										50.58	6.89
Provision for Fringe Benefit Tax										-	3.89
Deferred Tax Liability										92.68	16.67
Wealth Tax										0.11	0.34
Prior Period Expense										2.54	1.33
Prior Period Income										3.00	-
MAT Credit Asset Transfer to Molasses Reserve										106.90 14.20	-
Profit After Tax										218.19	37.75
Other Information											
Segment Assets	8863.01	5,320.27	792.94	752.84	481.48	406.38	68.86	-	(930.09)	**9276.20**	6,332.03
Unallocated assets	-	-	-	-	-	-	-	-	-	286.74	272.40
Total Assets										**9562.94**	**6,604.43**
Segment Liability	5676.10	2,377.58	592.97	555.43	173.05	102.48	46.00	-	(930.09)	**5558.03**	2,888.01
Unallocated liabilities										1748.32	1,675.65
Total Liabilities										**7306.36**	**4,563.66**
Capital Expenditure (Net)	194.10	61.44	1.48	27.95	0.38	-	45.06	-	-	**241.01**	89.39
Depreciation	293.29	291.85	13.83	13.67	3.39	3.36	1.80	-	-	**312.30**	308.87
Non Cash Expenses	-	-	-	-	-	-	-	-	-	-	-

9.	**Earning per Share**	**2009-10**	**2008-09**
	(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)	218.19	37.74
	(c) Basic and diluted earnings per shares (Rs.) (Face Value Rs 10/-)	3.38	0.58

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	435.60	47.50	0.00
	(b) Paid during the year	275.00	10.00	0.00
	(C.) Year end balances	930.35	211.00	350.00

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

Managing Director	2009-10	2008-09
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 31.3.2010	As at 31.3.2009
A) Deferred Tax Liability		
- Difference Between Carrying amount of Fixed Assets	2097.50	2221.74
Total (A)	**2097.50**	**2221.74**
B) Deferred Tax Asset		
i) Unabsorbed Depreciation as per Income Tax Returns	1568.18	2069.36
ii) Carried Forward Business Losses		
ii) Expenses Disallowed under section 43B of Income Tax Act		
- Effect of Section 145A	139.49	62.25
- Bonus	4.39	3.03
- Provision for Gratuity	10.76	13.41
- Provision for Leave Encashment	6.62	6.97
- Interest on Loan from Axis Bank	17.54	9.06
Purchase tax payable	28.79	8.62
Total (B)	**1775.77**	**2172.69**
Net Deferred Tax Liability/(Asset) (A)-(B)	321.73	49.05
Tax Impact	109.36	16.67

13. **Impairment of Assets**

As per AS-28 Impairment of Assets issued by ICAI, the management has reviewed its cash generating unit as on 31.03.2010. 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	-
Gross Carrying amount at the end	1.42
Accumulated amortization at the beginning	-
Accumulated amortization at the end	5.69

15. Movement of Provisions

(Rs in Lacs)

Provisions	Income Tax	Fringe Benefit Tax	Bonus	Gratuity	Leave Encashment
Opening Balance	6.89	3.89	3.03	13.41	6.97
Add:Additions	50.58	0	4.39	0	0
Less:Amount Used	6.89	3.89	3.03	0	0
Less:Unused Amount Reversed	0	0	0	2.65	0.35
Closing Balance	50.58	0	4.39	10.76	6.62

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	**2009-10**	**2008-09**
Value of Imports calculated on CIF basis	NIL	131.34
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	131.34

For KANSAL SINGLA & ASSOCIATES,
Chartered Accountants

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

PLACE: NEW DELHI
DATED: 27/07/2010

OSWAL OVERSEAS LIMITED

Statement of Increase/Decrease in Inventories

PARTICULARS	As on 31.03.2010		As on 31.03.2009	
	Qty.	AMOUNT (Rs.)	Qty.	AMOUNT (Rs.)
OPENING STOCK (Qtls.)				
- Sugar	60,502.00	118,561,973.16	63,761.00	89,490,476.00
- Molasses	56,530.20	22,739,272.95	71,648.90	28,659,560.00
- Bagasse	1,998.00	299,700.00	30,445.00	3,805,625.00
- Sugar in Process	-		7,043.00	9,508,050.00
- Molasses in process	-	-	8,798.00	3,519,200.00
- Sugar (BISS)	800.00	880,000.00	-	-
- Ingot (MT)	343.13	8,609,142.69	303.37	6,028,071.00
TOTAL		**151,090,088.80**		**141,010,982.00**
PRODUCTION (Qtls.)				
- Sugar	264,651.00		215,425.00	
- Molasses	159,410.00		117,943.00	
- Sugar in process			-	
- Molasses in process			-	
- Bagasse (Saleable)	167,573.43		76,335.70	
- Sugar (BISS)	750.00		800.00	
- Ingots (MT)	3,484.93		3,877.68	
- Runner Riser	57.40			
SALES (Qtls.)				
- Sugar	180,178.00		218,684.00	
- Molasses	160,908.80		133,061.70	
- Molasses(Shortage)				
- Bagasse (Salaeble)	157,501.60		104,782.70	
- Old Sugar reprocessed	-			
- Sugar (BISS) reprocessed	800.00			
- Ingut (MT)	3,730.41		3,837.92	
REPROCESS (Qtls.)				
- Sugar			-	
CLOSING STOCK (Qtls.)				-
- Sugar	97,361.00	320,108,363.85	60,502.00	118,561,973.1
- Sugar Levy	47,614.00	66,403,912.82		
- Molasses	44,914.90	16,944,146.03	56,530.20	22,739,272.
- Molasses (levy)	10,116.50	2,804,799.63		
- Bagasse	12,069.83	2,776,060.90	1,998.00	299,70
- Sugar in process	-	-	-	
- Molasses in process	-	-	-	
- Sugar (BISS)	750.00	2,025,000.00	800.00	880,00
- Runner Riser(MT)	57.40	1,320,200.00		
- Ingut (MT)	97.65	2,507,642.27	343.13	8,609,142.
TOTAL		**414,890,125.49**		**151,090,088.8**
Increase/(Decrease) in Stock		**274,742,504.97**		

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 31.03.2010		For the year ended 31.03.2009	
	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 BHSS)	265,401.00		216,225.00	
Molasses	159,410.00		117,943.00	
Ingut (MT)	3,484.93		3,877.68	
IV. Sales				
White Sugar	180,178.00	5,950.01	218,684.00	4,391.21
Molasses	160,908.80	619.48	133,061.70	595.56
Bagasse	157,501.60	356.41	104,782.70	172.60
Pressmud	-	19.20	-	8.44
Ingut	3,730.41	1,095.48	3,837.92	1,095.48
Sales Misc.	-	6.92	-	10.49
V. Closing Stock				
White Sugar	144,975.00	3,865.12	60,502.00	1,185.62
Molasses	55,031.40	197.49	56,530.20	227.39
Bagasse	12,069.83	27.76	1,998.00	3.00
Sugar in process	-	-	-	-
Ingut	97.65	25.08	343.13	86.09
VI. Raw Material Consumed				
Sugar Cane	3087351.66	7,237.88	2,372,159	3,279.86
Recovery (%)	8.60		9.12	

B. BIFURCATION OF MATERIAL AND STORES CONSUMED	Imported Rs. in lac	Indigenous Rs. in lac	%	Imported Rs. in lac	Indigenous Rs. in lac	%
Raw Material	--	7,237.88	100.00	--	3,279.86	100.00
Components & Spares	--	110.73	100.00	--	113.66	100.00
Packing Material	--	169.14	100.00	--	116.96	100.00
C. FINISHED GOODS PURCHASED	Nil	Nil	Nil	Nil	Nil	Nil
D. CIF Value of imports						
Raw Materials	Nil	Nil	Nil	131.34	Nil	100.00
E. Expenditure in foreign Currency	Nil	Nil	Nil	131.34	Nil	100.00
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.

Place: NEW DELHI
Date : 27/07/2010

OSWAL OVERSEAS LIMITED, NAWABGANJ (BAREILLY)

Balance Sheet Abstract and Company's General Business Profile.

	FOR THE YEAR ENDED 31.03.2010		FOR THE YEAR ENDED 31.03.2009	
I. Registration Details				
Registration No.	18268	State Code	18268	State Code
Balance Sheet Date	31.03.2010	55	31.03.2009	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
	7149.94	7149.94	5338.53	5338.53
Sources of Funds				
	Paid up Capital	Reserve & Surplus	Paid up Capital	Reserve & Surplus
	646.11	1610.48	646.11	1590.11
	Secured Loans	Unsecured Loans	Secured Loans	Unsecured Loans
	3145.03	1638.97	1410.00	1675.65
	Deferred Tax Liability		Deferred Tax Liability	
	109.35		16.67	
	Total		Total	
	7149.94		5338.53	
Application of Funds				
	Net Fixed Assets	Investments	Net Fixed Assets	Investments
(incl. Capital Work in Progress)	3671.06	0.00	3767.21	0.00
	Net Current Assets	Misc. Expenditure	Net Current Assets	Misc. Expenditure
	3478.87	0.00	– 1359.30	212.02
	Total		Total	
	7149.94		5338.53	
IV. Performance of Company				
	Turnover	Total Expenditure	Turnover	Total Expenditure
	7571.77	7171.19	5842.19	5679.98
	Profit/(Loss) Before Tax	Profit/(Loss) After Tax	Profit/(Loss) Before Tax	Profit/(Loss) After Tax
	254.69	218.19	65.53	37.75
	Earning per share	Dividend	Earning per share	Dividend
	3.38	0.00	0.58	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