

# **Overseas Synthetics Limited**

**21st  
Annual Report**

**2012- 2013**

# Overseas Synthetics Limited

## 21st Annual Report

### Board of Directors

Mr. Rohit H. Patel	Managing Director
Mr. Kamal R. Aggarwal	Director
Mr. Naresh V. Goyal	Director
Mr. Anirudh C. Sonpal	Director
Mr. Surendra U. Tamboli	Director
Mr. Suresh Prasad Roy	Director
Mr. Mayur V. Shah	Director

### Auditors:

M/s. Shah Mehta & Bakshi  
Chartered Accountants,  
Vadodara.

### Registered Office:

Block No. 355, Manjusar Kumpad Road,  
Village: Manjusar, Taluka: Savli,  
District: Vadodara - 391775.

### Registrar and share transfer agents:

MCS Limited  
Unit: Overseas Synthetics Limited  
Neelam Apartment, 88, Sampatrao Colony,  
Above Chhappan Bhog, Alkapuri,  
Vadodara: 390007.

### Bankers:

Indian Overseas Bank  
Mehta Pole, Vadodara - 390006.

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# NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of OVERSEAS SYNTHETICS LIMITED will be held on Tuesday, 24th September, 2013, at 11.00 a.m. at its Registered Office situated at Block No 355, Manjusar Kumpad Road, Village - Manjusar, Taluka - Savli, District - Vadodara - 391775, to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2013, Balance Sheet as on that date and the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Suresh Prasad Roy, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Surendra Tamboli, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

## NOTES:

1. **AMEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, 18th September, 2013 to Tuesday, 24th September, 2013 [Both days inclusive]**.
3. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
4. All documents referred to in the notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 5.00 p.m. on any working day except Saturdays and holidays upto the date of Annual General Meeting.
5. All the work related to share registry in terms of both physical and electronic are being conducted by Company's R & T Agents - M/s. MCS Limited, Neelam Apartment, 88 Sampatrao Colony, B/h Standard Chartered Bank, Alkapuri, Vadodara-390007. Tel.: 0265-2339397, Fax: 0265-2341639, Email: mcsitdbaroda@yahoo.com. The shareholders are requested to send their communication to the aforesaid address in future.
6. **Re-appointment of Directors:**  
At the ensuing Annual General Meeting Mr. Surendra Tamboli and Mr. Suresh Prasad Roy, retire by rotation and being eligible offer themselves for re-appointment.  
As required under Clause 49 of the Listing Agreement, the details pertaining to the Directors seeking reappointment are furnished in the statement of Corporate Governance.
7. Shareholders are requested to furnish their e-mail id particulars to the Company at the Company's dedicated mail id: overseasltd@gmail.com this will assist the Company in redressing of Shareholder's grievances expeditiously.
8. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, and April 29, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholder through an electronic mode. An amendment to the Listing Agreement with the Stock Exchanges permit companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their e-mail address for receiving electronic communications.

Place: Vadodara  
Date: 13/08/2013

Regd. Office:  
Block No. 355, Manjusar Kumpad Road,  
Village: Manjusar, Taluka: Savli,  
District: Vadodara - 391775

For and on behalf of the Board  
For Overseas Synthetics Limited

Sd/-  
Rohit H. Patel  
Managing Director

## DIRECTORS' REPORT

To,

The Members,

The Directors are pleased to present the Twenty First Annual Report and the Audited Accounts of the Company for the year ended on 31st March, 2013.

### 1. FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	31.03.2013	31.03.2012
Operating Revenue	Nil	Nil
Others	Nil	8.62
Total Income	Nil	8.62
Expenditure	9.85	6.16
Profit /Loss before Exceptional & Extraordinary items & Tax	(9.85)	2.46
Exceptional Items	94.82	185.03
Finance Charges	Nil	Nil
Depreciation	Nil	Nil
Profit /Loss before Tax	84.97	187.49
Provisions and write offs	Nil	Nil
Provision for tax (current)	Nil	Nil
Fringe Benefit Tax	Nil	Nil
Deferred Tax Added back/written off	Nil	Nil
Profit / (Loss) after tax	84.97	187.49
Excess (short) provision of earlier year written off / back (net)	Nil	Nil
Balance brought forward from previous year	(736.00)	(923.49)
Loss carried to Balance Sheet	(651.03)	(736.00)

During the year under review, the Company did not carry out any operational activity. The exceptional items of Rs. 94.82 Lacs refers to profit arisen on sale of immovable property of the Company including its factory, land and building situated at Nutan Estate, Vasta Devdi Road, Madhav Baugh, Katargam, Surat. The said assets were actually sold in the immediate previous year i.e. 2011-12 (A.Y. 2012-13) for Rs. 211 Lacs and the resultant profit was offered for tax in A.Y. 2012-13. Subsequently in the current year the transaction got revoked as the party could not pay the contracted amount of Rs. 211 Lacs. The amount paid against the sale by the purchaser amounting to Rs. 8 Lacs was refunded. Further during the Financial Year 2012-13 the Company has again sold the said assets situated at Surat for Rs. 306 Lacs and the resultant profit amounting to Rs. 90.82 Lacs after adjusting the profit of F.Y. 2011-12 is now accounted in the current previous year i.e. F.Y. 2012-13. The execution of sale deed for the aforesaid disposal of immovable properties in favour of the buyer have been executed.

### 2. DIVIDEND

In view of carried forward losses, your Directors do not recommend any dividend on the equity share capital.

### 3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### a) Industry Structure:

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

#### b) Opportunities and Threats:

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

#### c) Outlook:

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

**d) Risks and Concerns:**

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

**e) Adequacy of Internal Control:**

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

**f) Human Resource Development:**

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

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

There is no revenue from operations. The exceptional income of Rs. 94.82 refers to profit arisen on disposal of immovable properties of the Company at Surat.

**4. DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Surendra Tamboli and Mr. Suresh Prasad Roy, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**5. PUBLIC DEPOSITS**

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

**6. AUDITORS**

The tenure of M/s. Shah Mehta & Bakshi, Chartered Accountants, Vadodara, the retiring Auditors expires at the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for reappointment as Auditors.

**7. OBSERVATION OF AUDITORS**

In the Annexure to the Independent Auditor's Report for the year ended 31.03.2013, in para number I (c), VII, VIII, and X, the Auditor's have expressed their observations. Your Directors would like to furnish their explanations to the said observations as under:

**With regard to para no I (C) :**

During the year under review the company has sold all its assets situated at Surat. However the new Promoters / Director's intend to recommence the business activity of the Company and hence they have sought your approval to insert enabling clauses /activities in the main object of the Company by altering the Memorandum of Association and accordingly you have approved the alteration of the Main Object clause of Memorandum of Association through Postal Ballot notice dated September 15, 2012.

The new Promoters / Director's have commendable experience in manufacturing fine and other chemicals, laboratory and industrial glassware, and construction and development. It is expected that they would put the company into its right perspective and toward this measure have also paid advance of Rs. 277 Lacs for the purchase of assets to carry out the manufacturing of Chemical products. With the kind of expertise and versatile knowledge at their disposal, they would restructure the Company with suitable means and would recommence the operations in the Company at the earliest.

**With regard to para no VII:**

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

**With regard to para no VIII:**

The Company presently does not have any business operations, as and when the Company recommences its business operations all the cost records as may be applicable to the Company will be maintained.

**With regard to para no X:**

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

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

Since the Company has stopped manufacturing activity for last several years, the statement with respect to conservation of energy, technology absorption is not applicable to the Company.

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

## **9. PARTICULARS OF EMPLOYEES**

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

## **10. CORPORATE GOVERNANCE**

The report on Corporate Governance pursuant to Clause 49 of the Listing Agreement with BSE along with the certificate of M/s. Shah Mehta & Bakshi, Auditor's, forms part of this report and attached to this report.

## **11. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a. In the preparation of the Annual Accounts for the year ended on 31st March, 2013, the applicable Accounting Standards have been followed;
- b. Accounting Policies have been consistently applied. The judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2013 and the profit and loss of the Company for the accounting year ended on that date;
- c. Proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- d. The annual accounts have been prepared on a going concern basis.

## **12. ACKNOWLEDGEMENT**

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

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

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

**Place: Vadodara**

**Date: 13/08/2013**

**Regd. Office:**

**Block No. 355, Manjusar Kumpad Road,**

**Village: Manjusar, Taluka: Savli,**

**District: Vadodara - 391775**

**Sd/-  
Rohit H. Patel  
Managing Director**

## CORPORATE GOVERNANCE REPORT

In accordance with Clause 49 of the Listing Agreement of Bombay Stock Exchange Limited (BSE), the report containing the details of corporate governance systems and processes at Overseas Synthetics Limited is as under:

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

The Company firmly believes that the implementation of code on corporate governance would go a long way in attainment of the highest levels of transparency, accountability and equity in all facets of operations and interactions with all its stakeholders including shareholders, employees, government and lenders as well as enhancement of the value of stakeholders.

### 2. Board of Directors

The Company presently has Seven Directors, consisting of:

#### Non-executive Directors:

- |                            |  |
|----------------------------|--|
| 1. Mr. Rohit H. Patel      | - Managing Director (Erstwhile Promoter Group) |
| 2. Mr. Kamal R. Aggarwal   | - Promoter Group                               |
| 3. Mr. Naresh V. Goyal     | - Promoter Group                               |
| 4. Mr. Anirudh C. Sonpal   | - Independent Director                         |
| 5. Mr. Surendra U. Tamboli | - Independent Director                         |
| 6. Mr. Suresh Prasad Roy   | - Independent Director                         |
| 7. Mr. Mayur V. Shah       | - Independent Director                         |

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

During the year, seven Board Meetings were held on 05.05.2012, 14.07.2012, 13.08.2012, 15.09.2012, 25.09.2012, 03.11.2012 and 13.02.2013, respectively.

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

Name of Director	Attendance at Board Meeting	Attendance at last AGM	In other companies		
			Directorship	Committee member	Committee Chairmanship
Mr. Rohit H. Patel	7 (100%)	Yes	NIL	NIL	NIL
Mr. Kamal R. Aggarwal	2 (100%)	Yes	3	NIL	NIL
Mr. Naresh V. Goyal	2 (100%)	Yes	5	NIL	NIL
Mr. Surendra U. Tamboli	6 (86%)	Yes	1	2	NIL
Mr. Anirudh C. Sonpal	2(29%)	No	1	2	NIL
Mr. Suresh Prasad Roy	6 (86%)	No	NIL	NIL	NIL
Mr. Mayur V. Shah	5 (71%)	Yes	NIL	NIL	NIL

#### Board Procedure:

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

#### Code of Conduct:

The Board of Directors has adopted code of conduct for the Directors and Senior Management of the Company. A declaration recording compliance of the said code for the year ended 31st March, 2013 is contained in this report.

### 3. Audit Committee :

As per the Clause 49 of the Listing Agreement, the Board of Directors had constituted "Audit Committee".

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

Name of Director	Designation	No. of Meetings Attended
Mr. Anirudh C. Sonpal	Chairman (Independent Director)	1
Mr. Surendra U. Tamboli	Member (Independent Director)	4
Mr. Suresh Prasad Roy	Member (Independent Director)	4

Four meeting of the Audit Committee were held on 14.07.2012, 13.08.2012, 03.11.2012 and 13.02.2013 during the year 2012-13.

Necessary quorum was present at the meeting.

The Audit Committee shall begin to perform the following function:

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

### 4. Remuneration Committee :

The Board of Directors had also constituted "Remuneration Committee".

The details of composition of the committee are as follows:

Name of Director	Designation
Mr. Suresh Prasad Roy	Chairman (Independent Director)
Mr. Anirudh C. Sonpal	Member (Independent Director)
Mr. Surendra U. Tamboli	Member (Independent Director)

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

Remuneration Policy for Non Executive Directors:

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

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

Details of shares held by Non-Executive Directors in the Company as on 31st March, 2013:

1. Mr. Kamal R. Aggarwal 920111 Shares
2. Mr. Naresh V. Goyal 920111 Shares
3. Mr. Rohit H. Patel 0
4. Mr. Anirudh C. Sonpal 0
5. Mr. Surendra U. Tamboli 0
6. Mr. Suresh Prasad Roy 0
7. Mr. Mayur V. Shah 0