ANNUAL REPORT 2016-17

ABHEY OSWAL GROUP

Oswal Agro Mills Limited

Hon’ble Shri Abhey Kumar Oswal

COMPANY INFORMATION

Corporate Identification No. (CIN) L15319PB1979PLC012267

BOARD OF DIRECTORS
Smt. Aruna Oswal - Chairperson
Shri Anil Bhalla - Director
Shri Bhola Nath Gupta-CEO & Whole Time Director
Shri Harnish Bindra - Independent Director
Smt Shikha Jain - Independent Director
Shri Vikram - Independent Director

COMPANY SECRETARY
Mr. Gopal

CHIEF FINANCIAL OFFICER
Shri Parveen Chopra

AUDITORS
M/s T R Chadha & Co LLP
Chartered Accountants, New Delhi

BANKERS
HDFC Bank Limited
RBL Bank Limited

REGISTERED OFFICE
Near Jain Colony, Vijay Inder Nagar,
Daba Road, Ludhiana - 141 003 (Punjab)
Phone No. +91-161-2544313
Email ID: oswal@oswalagromills.com
Website: www.oswalagromills.com

HEAD OFFICE
7th Floor, Antriksh Bhawan,
22, K G Marg, New Delhi-110001
Phone No. +91-11-23753652
Fax No. +91-11-23716276

REGISTRAR & SHARE TRANSFER AGENT
Skyline Financial Services Pvt. Ltd.
D-153/A, First Floor,
Okhla Industrial Area, Phase-I,
New Delhi-110020
Phone No. +91-11-64732681-88
Fax No. +91-11-26812683
Email ID:admin@skylinerta.com

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OSWAL AGRO MILLS LIMITED

Corporate Identification No. (CIN) L15319PB1979PLC012267

Registered Office: Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab), Phone No. +91-161-2544313

Head Office: 7th Floor, Antriksh Bhawan, 22, K. G. Marg, New Delhi-110001
Phone No. +91-011-23753652, Fax No. +91-011-23716276
Website: www.oswalagromills.com, Email: oswal@oswalagromills.com

NOTICE OF THE MEETING

Notice is hereby given that the 37th Annual General Meeting of the Company will be held on Thursday, the 28th day of September 2017 at 12.30 P.M. at the Registered Office of the Company at Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana -141003 (Punjab), to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31st March, 2017 together with the Report of the Board of Directors and the Auditors thereon.
2. To re-appoint Shri Anil Bhalla (DIN: 00587533), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modifications, if any, the following as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 ("Act") and the rules made thereunder M/s Agarwal & Dhandhania, Chartered Accountants (ICAI Firm Registration No.125756W) be and are hereby appointed as the Statutory Auditors of the Company for a term of five consecutive years to hold office from the conclusion of this 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the Company subject to annual ratification by the members of the Company in each Annual General Meeting to be held hereafter during the tenure of appointment and that the Board of Directors be and is hereby authorized to fix remuneration, as may be determined by the Audit Committee in consultation with Auditors."

By Order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Dated : 09.08.2017

Gopal
Company Secretary

NOTES:

1. A member entitled to attend and vote at the 37th Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll on behalf of himself/herself and the proxy need not be a member. The enclosed proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM.
2. As per the requirement of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for appointment of the Directors(s)/re-appointment of the retiring Director(s), a statement containing details of the concerned Director(s) is provided herewith.
3. Corporate members intending to send their authorized representative to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2017 to 28th September, 2017 (both days inclusive).
6. Cut-Off Date:
   i) The notice is being sent to all the members, whose name appears as on 11th August, 2017 in the register of members or beneficial owners as received from M/s Skyline Financial Services Private Limited, Registrar & Share Transfer Agent of the Company.
   ii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Thursday, 21st September, 2017 (the "Cut - Off Date"), only shall be entitled to vote through Remote E-voting and at the AGM of the Company. The voting rights of members shall be in proportion to the number of shares held by them as on the cut- off date.
7. The members are requested to:
   (a) Take the advantage of dematerialization of shares as Company's scrip has been put under the compulsory dematerialization. Shareholders are requested to get in touch with any Depository Participant for getting the shares dematerialized.

(b) Open a demat account free of cost with NSDL under an exclusive offer from Religare Securities Limited to the members of 'OSWAL AGRO MILLS LIMITED'. Interested members simply need to give a missed call at 011-66781414 to Religare Securities Limited and may avail the exclusive festive offer.

(c) Bring their copy of Annual Report at the Annual General Meeting.

8. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send share certificates to the Company for consolidation into a single folio. A consolidated share certificate will be returned to such member after making requisite changes thereon.

9. Members intending to seek any clarification on the accounts in the meeting are requested to inform the company at least 10 days in advance from the date of the Annual General Meeting.

10. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail id by sending written requests to our RTA M/s Skyline Financial Services Pvt. Ltd. in respect of shares held in physical form and to the concerned Depository Participant in respect of shares held in demat form to enable the Company to serve them documents/all communications including Annual Report, Notices, Circulars etc. electronically.

11. The notice of the AGM along with the Annual Report for the financial year 2016-17 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

12. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays up to the date of the Annual General Meeting.

13. In all correspondences with the Company, members are requested to quote their account/folio numbers and in case, their shares are held in the dematerialized form, they must quote their Client ID Number and DP ID Number.

14. Members may please note that no gifts/gift coupons shall be distributed at the venue of the Annual General Meeting.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.

16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members at the Annual General Meeting.

17. **Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company in electronic mode.**

18. **Remote E-Voting Facility**

In accordance with the provision of Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management & Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the shareholders may exercise their option to participate through electronic voting system and the Company is providing the facility for voting by electronics means (Remote e-voting) to all its members. The Company has engaged the services of National Securities Depositories Limited (NSDL) to provide Remote e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this Remote e-voting facility is optional and not mandatory. The process and manner of Remote E-Voting are as under:-

a) In case, member receive e-mail from NSDL (for Members whose email addresses are registered with the Company/Depository Participant(s)), the member should open the PDF file attached with the e-mail. The said PDF file contains his/her user ID/ Password for e-voting. Please note that the password is an initial password.

b) In case, member receives AGM Notice in physical form (for Members whose email addresses are not registered with the Company/Depository Participants), the "USER-ID" and initial "PASSWORD" for remote e-voting is provided on the covering letter enclosed with Annual Report.

c) In case, any member does not receive 'User-ID' and 'Password' as mentioned in Sr. No. (a) and (b), then they shall contact the NSDL on toll free no. 1800-222-990.

d) The following steps should be followed for casting the vote through remote e-voting (In both the cases mentioned at Sr. No. 18 (a) and 18(b) above:

   i. Open internet browser and type the following URL: http://www.evoting.nsdl.com.

   ii. Click on Shareholder - Login.

   iii. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

   iv. If you are logging in for the first time, please enter the user ID and password provided through e-mail (as per Sr. No. 18 (a) above) or in physical form (as per Sr. No. 18 (b) above), as the case may be.

   v. Password change menu will appear on your screen. Change to a new password of your choice, ensure that it contains a minimum of 8 digit or characters or a combination of both. Please keep your password confidential.

   vi. Home page of remote e-voting opens. Click on remote e-voting: Active voting cycle.

   vii. Select "EVEN" (E-Voting Event Number) of Oswal Agro Mills Limited.

viii. Now you are ready for e-voting as Cast Vote page opens.

ix. The voting rights of the shareholders shall be reckoned in proportion to their shares held in the total paid up equity share capital of the Company as on cut-off date i.e., 21st September, 2017.

x. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

xi. Upon confirmation, the message "Vote cast successfully" will be displayed.

xii. Once you have voted on the resolution, you will not be allowed to modify your vote.

xiii. Corporate/Institutional members (i.e. other than Individuals, HUF/NRI etc.) are also required to send scanned certified true copy (PDF format) of the Board Resolution/Authority letter, etc. together with attested specimen signature(s) of duly authorized representative(s), to the Scrutinizer through e-mail at paramnoor.singh@gmail.com with a copy marked to evoting@nsdl.co.in and a copy to cs@oswalagromills.com of the Company.

e) The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote.

f) The remote e-voting period shall commence on Monday, 25th September, 2017 (9.00 A.M.) and ends on Wednesday, 27th September, 2017 (5.00 P.M.). Thereafter, the remote e-voting facility will be blocked.

g) Any person who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of 21st September, 2017, may obtain their user ID and password for e-voting from the Company's Registrar & Share Transfer Agent or NSDL.

h) In case of any queries, you may refer the Frequently Asked Question (FAQs) - Shareholders and remote e-voting user manual-Shareholders, available at the downloads section of www.evoting.nsdl.com.

i) You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.

j) Any person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories/Share transfer agent as on cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through Ballot paper.

k) The Company has appointed Shri Paramnoor Singh, Practicing Chartered Accountant, Membership No 515572 as 'Scrutinizer' for conducting and scrutinizing the voting process (Ballot Paper as well as Remote E-voting) in a fair and transparent manner.

l) The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the AGM by Ballot Papers and thereafter unlock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall make, within a period not exceeding two days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman of meeting or a person authorized by him in writing.

m) The Results of voting along with the report of the Scrutinizer shall be placed on the website of the Company www.oswalagromills.com and on the website of NSDL immediately after the declaration of result by the Chairman of the meeting or a person authorized by him. The results shall also be forwarded to Stock Exchanges where the company's shares are listed.

INFORMATION REQUIRED TO BE FURNISHED IN PURSUANCE OF REGULATION 36 OF LISTING REGULATIONS WITH STOCK EXCHANGES

Brief Resume of the person to be appointed/re-appointed as Director:

Shri Anil Bhalla

Shri Anil Bhalla is director of the Company, appointed on the Board of the Company w.e.f. 19th May, 2007 and actively involved in all the business activities and day to day affairs of the company. He is a commerce graduate. He is 67 years of age. He has vast experience in commercial and administrative field and made valuable contribution in the growth of the Company. He has provided valued insights and perspectives to the Board deliberations on complex financial and operational issues. His unique insights with respect to regulatory and policy matters, compliance and internal controls has strengthened the Board's collective knowledge, capabilities and experience. He is a director on the Board of following companies during the year:-

1. Oswal Greentech Limited – CEO & Managing Director
2. News Nation Network Private Limited – Director

He is member of Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Share Transfer Committee of your company.

By Order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Dated : 09.08.2017

Gopal
Company Secretary

DIRECTORS' REPORT

To,
The Members
Oswal Agro Mills Limited

Your Company's Directors are pleased to present the 37th Annual Report of the Company, along with Audited Accounts, for the financial year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

We share with you our 37th Annual Report together with the Audited Financial statements for the year ended March 31st, 2017. The Company's performance grouped in accordance with the new accounting standards Ind-AS (Indian Accounting Standards), is summarized below: **(₹ in thousands)**

PARTICULARS	Current Year 31.03.2017	Previous Year 31.03.2016
Operating & other Income	3,22,891.17	3,04,060.19
Profit/(Loss) before Depreciation & Provision for Taxation	(41,719.72)	57,450.57
Less : Depreciation	1,846.28	1,666.18
: Provision for Tax/Deferred Tax	38,470.61	26,917.80
Profit/(Loss) after Depreciation & Tax	(82,036.61)	28,866.59
Add: Balance brought forward from Previous year	(4,54,092.65)	(4,82,959.24)
Balance carried to Balance Sheet	(5,36,129.26)	(4,54,092.65)

REVIEW OF OPERATIONS & FUTURE OUTLOOK

During the year, the Company undertook trading activities in the real estate sector and had sustained losses of ₹ 82.04 lakhs as against Profit of ₹ 28.87 lakhs (restated figure as per IND-AS) in the previous year.

The Company is continuing the business of investments and the future outlook looks bright.

SUBSIDIARY COMPANY AND ASSOCIATES

SUBSIDIARY

The Company has one subsidiary namely M/s. 'Oswal Overseas Ltd.' at UAE. The Board of Directors of the Company has decided to voluntary wind up of this Subsidiary Company in the interest of the business. The necessary step has already been taken and matter is under process:

ASSOCIATE

The company has one associate company namely M/s Oswal Greentech Ltd.

DIVIDEND

With a view to conserve the resources for the business plans of the Company to develop real estate, the Directors do not recommend any dividend for the year.

PUBLIC DEPOSITS

The Company has not accepted or renewed any deposit within the meaning of Section 73 to 76 of Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

MATERIAL CHANGES

Due to sudden demise of Shri Abhey Kumar Oswal, his holdings in the Company comprises of 39.88% Equity Shares were transmitted to Smt. Aruna Oswal as per his nomination.

STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the tenure of current auditors - M/s T R Chadha & Co LLP (A Limited Liability Partnership with LLP Identification No. AAF-3926), shall come to an end at the conclusion of forthcoming AGM. Accordingly, M/s Agarwal & Dhandhania, Chartered Accountants (Firm Registration No. 125756W) have been recommended by the Audit Committee and by the Board to be appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the ensuing 37th Annual General Meeting until the conclusion of 42nd Annual General Meeting of the Company to be held in the calendar year 2022, subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be decided by the Board. They being eligible have consented and offered themselves for appointment as Statutory Auditors for conducting audit of accounts for five consecutive financial years starting from 2017-18.

Your Company has received necessary certificate from the proposed Statutory Auditor to this effect that their appointment, if made, will be in accordance with the provisions of Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

As per the recommendation of the Audit Committee, the Board of Directors proposes the appointment of Agarwal & Dhandhania, Chartered Accountants as Statutory Auditor of the Company.

Further, there are no observations (including any qualification, reservation, adverse remark or disclaimer) of the existing Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor`s Report are self-explanatory.

SECRETARIAL AUDITORS AND THEIR REPORT

Section 204 of the Companies act, 2013 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

The Board appointed M/s. CT & Company, Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2016-2017 and their report is annexed to this report as Annexure-I. There are no qualifications/ observations/ reservations/ adverse remarks in the said report, which call for any explanation from the Board of Directors.

EXTRACTS OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The details forming part of the extract of the Annual Return in Form MGT-9 as per the requirements of Companies Act, 2013 and Rules thereto are annexed to this report as Annexure II.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Anil Bhalla, Director of the Company will retire at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. Your Board of Directors recommend his re-appointment.

As required under Regulation 36 of Listing Regulations, the requisite information of Shri Anil Bhalla, in the nature of brief resume, nature of expertise, companies in which he holds Directorship / memberships of Board Committees, shareholding in all Companies, forms part of the Notice of the Annual General Meeting.

During the year, Smt. Aruna Oswal has been appointed as Chairperson and Additional Director of the Company w.e.f. 02.04.2016. Smt. Aruna Oswal is an arts graduate and has been closely associated with Late Shri Abhey Kumar Oswal in managing the business affairs of your Company. She is actively involved in the management of Aruna Abhey Oswal Trust. Shri Bhola Nath Gupta has been promoted to CEO and Whole Time Director of the Company w.e.f. 01.10.2016.

During the year, the Board has appointed Mr. Gopal as Company Secretary and Compliance officer of the Company w.e.f. 13.09.2016.

DECLARATION ON INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director u/s 149 (7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 sub- section 3 (c) and sub -section (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby states and confirms that:-

i. in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. that Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the loss of the Company for that period;

iii. that Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. that the Directors had prepared the annual accounts on a going concern basis;

v. that the Directors had laid down the internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and

vi. that Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2016-17.

AUDIT COMMITTEE

The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee has met 4 times during the year, the details of which are given in the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of Listing Regulations, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

The Company constantly endeavors to follow the corporate governance guidelines and best practices sincerely and disclose the same transparently. The Board is conscious of its inherent responsibility to disclose timely and accurate information regarding the Company's operations, performance, material corporate events as well as on the leadership and governance matters relating to the Company.

A report on corporate governance, along with a certificate of compliance from the auditors, forms part of this report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details as required is furnished in Annexure-III and is attached to this report. Further, there was no employee of the company drawing remuneration in excess of the limits prescribed u/s 197 of Companies Act, 2013 read with rules made thereunder during the financial year.

NUMBER OF MEETINGS OF THE BOARD

The Board met seven times during the Financial Year, the details of which are given in the Corporate Governance Report forming part of the Annual Report. The intervening gap between any two meetings is within the period prescribed by the Companies Act, 2013.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED U/S 186

Particulars of loans given are provided under Note No. 2.44 to the standalone financial statement. Particulars of investment made are provided under Note No. 2.5, 2.6 and Note No. 2.10 to the Financial Statement provided in this Annual Report. The Company has not given any guarantee or security in connection with loan to any other body corporate or person.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY REFERRED TO IN SUB-SECTION 1 OF SECTION 188

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm’s length basis.

During the year, the company has not entered into any contract or arrangement with related parties which could be considered ‘material’ (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions. Accordingly, transactions those are required to be reported in Form AOC-2 are enclosed as Annexure-IV.

A detailed report on contract & arrangement made during the financial year 2016-17 being arm's length transaction have been reported and annexed as Note No. 2.42 to the Standalone Financial Statement.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information in accordance with the provision of Section 134 (m) of the Companies Act, 2013, read with rule 8(3) of the Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption are not applicable to the Company. During the year under review, there is no foreign exchange earnings and outgo (Previous years -NIL).

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATIONS IN FUTURE

There were no orders passed by any authority impacting the going concern status and company`s operations in future.

POLICY ON DIRECTORS’ APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached as Annexure-V respectively, which forms part of this report.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Board of Directors of the Company have Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company’s businesses, and has defined a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. At present there is no identifiable risk which in the opinion of the Board may threaten the existence of the Company.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) INITIATIVES

The role of CSR Committee is as under:-

(a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.

(b) Recommend the amount of expenditure to be incurred on the activities as above,

(c) Monitor the CSR Policy of the Company from time to time.

The Company has in place a CSR policy in line with Schedule VII of the Companies Act, 2013. As per the policy the CSR activities are focused not just around the offices of the Company, but also in other geographies based on the needs of the communities. The main focus areas where CSR programmes of Oswal's run are:

1. Eradicating hunger, poverty and malnutrition.
2. To support the medical treatment of cancer patients through Mohan Dai Oswal Cancer Hospital.

3. To provide residential houses to the weaker section of society.
4. To promote education among children and livelihood enhancement projects.

In view of absence of net profits of the Company calculated as per statutory requirements, no expenditure was incurred on CSR activities by the company during the year.

The annual report on CSR activities is furnished in Annexure-VI which forms part of this report.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and relevant Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board has carried out the annual performance evaluation of its own performance and other Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment.

Performance evaluation of independent directors was done by the entire board, excluding the independent directors.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairperson was reviewed and evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors.

INTERNAL FINANCIAL CONTROL SYSTEM

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Board of Directors of the Company is responsible for ensuring that Internal Financial controls have been laid down in the Company and that such controls are adequate and operating effectively.

The foundation of Internal Financial Controls ('IFC') lies in the Oswal Code of Conduct ('OCOC'), policies and procedures adopted by the Management, corporate strategies, annual business planning process, management reviews and the risk management framework.

The Company has a well-placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms..

The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the company. Based on the report of the internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. During the year the independent consultants have also been engaged for providing assistance in improvising IFC framework including preparation of Management Risk Control Matrix for various processes and deployment of Self Assessment Tool.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board`s report.

The internal financial controls were in operation during the reporting period from April 1st 2016 to March 31st 2017. Our management assessed the effectiveness of the Company's internal control over financial reporting as of March 31st, 2017.

T.R. Chadha & Co LLP Chartered Accountants, the statutory auditors has audited the financial statements of the Company for financial year 2016-17. They assess the internal financial controls including the Entity Level Controls, Process Application and Transaction Controls and Information Technology General Controls.

The audit committee reviews the reports submitted by the Internal Auditors in each of its meeting. Also, the audit committee at frequent intervals has independent sessions with the statutory auditor and the Management to discuss the adequacy and effectiveness of IFC.

Based on its evaluation as defined in Section 177 of Companies Act 2013 and Regulation 18 of Listing Regulations, our audit committee has concluded that, as of March 31st, 2017, our internal financial controls were adequate and operating effectively.

VIGIL MECHANISM

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal and unethical behavior.

The Board of Directors of the Company has pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. which has been uploaded on the Company's website at the following link : http://www.oswalagromills.com/policy/VIGIL_MECHANISM_POLICY.pdf

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. During the year under review, no employee was denied access to the Chairman of the Audit Committee.

CODE OF CONDUCT

The members of the Board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31st 2017. The annual report of the Company contains a certificate by the CEO and Whole Time Director in terms of Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HUMAN RELATIONS

The Board of Directors would like to take this opportunity to place on record its appreciation for the committed services and contributions made by the employees of the Company during the year.

LISTING

Your Company's equity shares are listed at- Bombay Stock Exchange Ltd. (BSE), National Stock Exchanges of India Ltd (NSE), Delhi Stock Exchange Ltd (DSE), Calcutta Stock Exchange Association Ltd (CSE), Ahmedabad Stock Exchange Ltd (ASE), the U.P. Stock Exchange Association Ltd (UPSE) and Chennai Stock Exchange Ltd (CSE).

As on date, the shares of the Company are not traded at DSE, CSE, ASE, UPSE and CSE, as all these stock exchanges have no operations.

The Company equity shares are frequently traded with Bombay Stock Exchange. Now, the National Stock Exchange has been agreed to revoke the suspension of trading in the shares of the company. The Shares of the Company shall also be traded on National Stock Exchange after disposing off of revocation matter by NSE.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors take on record their deep sense of appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the progress of your Company.

By Order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Dated : 09.08.2017

Aruna Oswal
Chairperson
DIN: 00988524

Annexure-I

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Oswal Agro Mills Limited,
Near Jain Colony,
Vijay Inder Nagar, Daba Road,
Ludhiana-141003 (Punjab)

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Oswal Agro Mills Limited** (CIN L15319PB1979PLC012267) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. We wish to state that the Company's Management is responsible for preparation and maintenance of secretarial records and ensuring compliance with applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives and representation made during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2017 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable**

d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable**

f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**

h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 - **Not Applicable**

We have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, we report that, the Company has generally complied with the provisions of the Act, Rules, Regulations and guidelines mentioned above to the extent applicable.

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that:

a) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

b) The Company has obtained all necessary approvals under the various provisions of the Act; and

c) There was no prosecution initiated during the year under review under the Act, SEBI Act, SCRA, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers.

d) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

e) During the audit period, the Company has no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above. There were no specific instances of:

   i. Public/Right/Preferential issue of shares/debentures/sweat equity etc.

   ii. Redemption/buy-back of securities

   iii. Major decisions taken by the members in pursuance to section 180 of Companies Act, 2013

   iv. Merger/amalgamation/reconstruction etc.

   v. Foreign technical collaborations.

f) We further report that the other specific instances of observation made during the course of audit are stated in annexures to this report.

For CT & Company
Company Secretaries

Shivam Garg
Partner
COP No. 16406
Membership No. 44577

Place : New Delhi
Date : 09.08.2017

This report is to be read with our letter of even date which is annexed as "Annexure-A" and forms an integral part of the report.

"Annexure-A"

To,
The Members,
Oswal Agro Mills Limited,
Near Jain Colony,
Vijay Inder Nagar, Daba Road,
Ludhiana-141003 (Punjab)

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For CT & Company
Company Secretaries

Shivam Garg
Partner
COP No. 16406
Membership No. 44577

Place : New Delhi
Date : 09.08.2017

Annexure-II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

S. No	CIN NO	:	L15319PB1979PLC012267
1.	Registration Date	:	14/12/1979
2.	Name of the Company	:	OSWAL AGRO MILLS LIMITED
3.	Category/Sub-Category of the Company	:	Company Limited by Shares; Indian Non Govt. Company
4.	Address of the Registered office and contact details	:	Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Pb.) Phone: +91-161-2544313 Telephone: +91-11-23753652; Fax: +91-011-23716276 (Delhi Office) Email: oswal@oswalagromills.com Website: www.oswalagromills.com
5.	Whether listed Company	:	Yes
6.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Skyline Financial Services Pvt. Ltd. D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: +91-11-64732681-88, Fax: +91-11-26812683 E-mail: admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the Company
1.	Real Estate	68200	49.23%
2.	Investing	–	48.98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1.	Oswal Overseas Limited (UAE)	–	Wholly owned Subsidiary	100%	2(87)(ii)
2.	Oswal Greentech Limited	L24112PB1981PLC031099	Associate	35.58%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	56026460	–	56026460	41.74	56026460	–	56026460	41.74	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corporate	7222	–	7222	0.01	7222		7222	0.01	
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other	–	–	–	–	–	–	–	–	–
Sub–total(A)(1)	**56033682**		**56033682**	**41.74**	**56033682**		**56033682**	**41.74**	**–**
2) Foreign									
g) NRIs-Individuals	–	–	–	–	–	–	–	–	–
h) Other-Individuals	–	–	–	–	–	–	–	–	–
i) Bodies Corporate	–	–	–	–	–	–	–	–	–
j) Banks / FI	–	–	–	–	–	–	–	–	–
k) Any Other	–	–	–	–	–	–	–	–	–
Sub–total(A)(2)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	–	15200	15200	0.01	–	15200	15200	0.01	–
b) Banks / FI	3586545	85309	3671854	2.74	3586545	85309	3671854	2.74	
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	459000	–	459000	0.34	–	–	–	–	(0.34)
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub–total(B)(1)	**4045545**	**100509**	**4146054**	**3.09**	**3586545**	**100509**	**3687054**	**2.75**	**(0.34)**
2. Non Institutions									
a) Bodies Corp.									
(i) Indian									
(ii) Overseas	15536362	6761471	22297833	16.61	15256400	7273825	22071225	16.44	(0.17)
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	20375668	19455721	39831389	29.67	20121128	19100345	39221473	29.22	(0.45)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	8880145	444693	9324838	6.95	9790043	373567	10163610	7.57	0.62
c) Others (Specify)									
(i) N.R.I.(REPT & NON-REPT)	203958	381743	585701	0.44	292488	379625	672113	0.50	0.06
(ii) Clearing House/ Public Trust	23450	–	23450	0.02	23430	–	23430	0.02	–
(iii) Corporate Bodies – OCB	–	110900	110900	0.08	–	110900	110900	0.08	–
(iv) Hindu Undivided Family	1828613	–	1828613	1.36	2121204	–	2121204	1.58	0.22
(v) Clearing Members	52316	–	52316	0.04	130085	–	130085	0.10	0.06
Sub–total(B)(2)	**46900512**	**27154528**	**74055040**	**55.17**	**47734778**	**26779262**	**74514040**	**55.51**	**0.34**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	50946057	27255037	78201094	58.26	51321323	26879771	78201094	58.26	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**106979739**	**27255037**	**134234776**	**100**	**107355005**	**26879771**	**134234776**	**100**	**–**

(ii) Shareholding of Promoters(including Promoter group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered	No. of Shares	% of total Shares of the Company	% of Pledged/ encumbered to total shares	% change in share holding during the year
1.	Aruna Oswal	56026460	41.74	–	56026460	41.74	–	–
2.	Oswal Greentech Limited (Formerly Oswal Chemicals & Fertilizers Ltd)	1000	–	–	1000	–	–	–
3.	P C Media Systems Ltd	6222	–	–	6222	–	–	–
	Total	56033682	41.74	–	56033682	41.74	–	–

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Due to sudden demise of Shri Abhey Kumar Oswal on 29.03.2016, one of the promoter of the Company, his shares were transmitted to his nominee Smt. Aruna Oswal, also one of the promoter in the promoter group of the Company. There is no change in the promoters' (including Promoter Group) overall Shareholding during the Financial Year under reference.

(iv) Shareholding pattern of Top 10 Share Holders Other than Promoters and Directors

Sr. No.	For each of top 10 Shareholder	Transaction Date	Reason	Increase/ Decrease	Shareholding at the beginning of year		Cumulative Shareholding during the year	
					No of Shares	% To the Total Shares	No of Shares	% To the Total Shares
1	**TUSHAR HOLDINGS LTD**							
	At the beginning of the year	01.04.2016	–	–	4628510	3.4481	4628510	3.4481
	Change during the year	–	–	–	–	–	4628510	3.4481
	At the end of the year	31.03.2017	–	–	4628510	3.4481	4628510	3.4481
2	**RIVER FINANCE LIMITED**							
	At the beginning of the year	01.04.2016			3330271	2.4809	3330271	2.4809
	Change during the year	–	–	–	–	–	3330271	2.4809
	At the end of the year	31.03.2017	–	–	3330271	2.4809	3330271	2.4809
3	**JALAVEG INVESTMENT AND TRADING CO LTD**							
	At the beginning of the year	01.04.2016	–	–	3305000	2.4621	3305000	2.4621
	Change during the year	–	–	–	–	–	3305000	2.4621
	At the end of the year	31.03.2017	–	–	3305000	2.4621	3305000	2.4621
4	**SKA HOLDINGS LIMITED**							
	At the beginning of the year	01.04.2016	–	–	2904967	2.1640	2904967	2.1640
	Change during the year	–	–	–	–	–	–	2.1640
	At the end of the year	31.03.2017			2904967	2.1640	2904967	2.1640
5	**LIFE INSURANCE CORPORATION OF INDIA**							
	At the beginning of the year	01.04.2016			2693170	2.0063	2693170	2.0063
	Change during the year	–	–	–	–	–	2693170	2.0063
	At the end of the year	31.03.2017			2693170	2.0063	2693170	2.0063
6.	**DENVER TRADING COMPANY PRIVATE LIMITED**							
	At the beginning of the year	01.04.2016			1343097	1.0006	1343097	1.0006
	Change during the year	–	–	–	–	–	1343097	1.0006
	At the end of the year	31.03.2017			1343097	1.0006	1343097	1.0006
7	**LUCKY STAR ENTERTAINMENT LTD**							
	At the beginning of the year	01.04.2016	–	–	672952	0.5013	672952	0.5013
	Change during the year		–	–	–	–	672952	0.5013
	At the end of the year	31.03.2017	–	–	672952	0.5013	672952	0.5013
8	**RED STRIPE TRADING COMPANY PRIVATE LIMITED**							
	At the beginning of the year	01.04.2016			600000	0.4470	600000	0.4470
	Change during the year	–	–	–	–	–	600000	0.4470
	At the end of the year	31.03.2017			600000	0.4470	600000	0.4470
9	**HITESH RAM JAVARI**							
	At the beginning of the year	01.04.2016			420037	0.3129	420037	0.3129
	Change during the year	22.04.2016	Purchase	79963	–	–	500000	0.3725
		25.11.2016	Purchase	25000	–	–	525000	0.3911
	At the end of the year	31.03.2017			525000	0.3911	525000	0.3911
10	**JYOTIBEN M. SHAH**							
	At the beginning of the year	01.04.2016			435727	0.3246	435727	0.3246
	Change during the year		–	–	–	–	435727	0.3246
	At the end of the year	31.03.2017			435727	0.3246	435727	0.3246

(v) **Shareholding of the Directors and Key Managerial Personnel**

Sr. No.	For each of the Directors & KMP	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	**Aruna Oswal**				
	At the beginning of the year	56026460	41.74	56026460	41.74
	Date wise Increase/ decrease in shareholding during the year specifying the reasons for increase or decrease	–	–	–	–
	At the end of the year	56026460	41.74	56026460	41.74

V. INDEBTEDNESS

The company has not availed any loan during the year and is debt-free company.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors and/or Manager (₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Bhola Nath Gupta, CEO & Whole Time Director	–	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2)Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	 21.67 – –	 – – –	 21.67 – –
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission - as % of profit - others, specify...	–	–	–
5.	Others, please specify - Provident Fund	1.37	–	1.37
6.	**Total (A)**	**23.04**	**–**	**23.04**
	Ceiling as per the Act	Within prescribed limit of Section IIA of Part II of Schedule V of Companies Act, 2013 and Special Resolution passed by the Company.		

B. Remuneration to other Directors: (in lakhs)

The Company has three Independent Directors i.e., Shri Harnish Bindra, Smt. Shikha Jain and Shri Vikram and two Non-executive Non Independent Directors i.e. Smt. Aruna Oswal and Shri Anil Bhalla but there is no remuneration paid by the company to the other Directors.

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Aruna Oswal	Anil Bhalla	Harnish Bindra	Vishal Mishra	Shikha Jain	Vikram	
1.	**Independent Directors**							
	– Fee for attending Board Committee meetings	–	–	0.15	0.10	0.80	0.50	1.55
	– Commission	–	–	–	–	–	–	–
	– Others, please specify	–	–	–	–	–	–	–
	Total (1)	**–**	**–**	**0.15**	**0.10**	**0.80**	**0.50**	**1.55**
2.	**Other Non-Executive Directors/ Non Independent**							
	– Fee for attending Board Committee meetings	–	–	–	–	–	–	–
	– Commission	–	–	–	–	–	–	–
	– Others, please specify							
	Total(2)	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	Total(B)=(1+2)	**–**	**–**	**0.15**	**0.10**	**0.80**	**0.50**	**1.55**
	Total Managerial Remuneration (A+B)							**24.59**
	Overall Ceiling as per the Act	Within prescribed limit of Section IIA of Part II of Schedule V of Companies Act, 2013 and Special Resolution passed by the Company.						

C. **Remuneration to Key Managerial Personnel Other than MD/Manager/WTD (₹ in Lakhs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Parveen Chopra, CFO	Gopal (Company Secretary)*1	Pooja (Company Secretary)*2	
1.	Gross salary				
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961	11.30	1.02	0.53	12.85
	(b) Value of perquisites u/s 17(2)Income-tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	
3.	Sweat Equity	–	–	–	
4.	Commission				
	- as % of profit	–	–	–	
	- others, specify...				
5.	Others, please specify				
	- Provident Fund	0.70	0.08	0.05	0.83
6.	**Total (A)**	**12.00**	**1.10**	**0.58**	**13.68**

*1 Mr. Gopal was appointed as Company Secretary of the Company w.e.f. 13.09.2016.
*2 Ms. Pooja ceased to be the Company Secretary of the Company w.e.f. 31.07.2016 due to resignation.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/ punishment/ compounding of offences for the year ending March 31st, 2017.

Annexure-III

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sub-Rules	Particulars		
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a) Shri Bhola Nath Gupta, Chief Executive Officer & Whole Time Director	9.06:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a) Shri Bhola Nath Gupta, Chief Executive Officer & Whole Time Director	NIL
		b) Shri Praveen Chopra, Chief Financial Officer	NIL
		c) *1Mr. Gopal Company Secretary	NIL
		d) *2Ms. Pooja Daid, Company Secretary	NA
(iii)	The percentage increase in the median remuneration of employees in the financial year.		21.48%
(iv)	The number of permanent employees on the rolls of the Company.		23
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There was no increase in the salaries of employees of the Company as well as in the salaries of Key Managerial Personnel in the last Financial Year. Due to increase in the number of employees with lower salary scale during the previous year, the median remuneration of employees has been reduced.	
(xii)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.		

*1Mr. Gopal was appointed as Company Secretary of the Company w.e.f. 13th September, 2016 and thus comparison of remuneration of Shri Gopal is not relevant.

Annexure-IV

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis**

   There was no contract or arrangements entered during the year under consideration, which were not at arms' length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Value of Contacts/ arrangements/ transactions:	Date on which the Special Resolution was passed in General Meeting as required under first proviso to section 188
Oswal Greentech Limited (Group Company)	Office Rent and Maintenance paid	6 years	Lease agreement for using the premises of group Company.	Mutual contract or arrangement between two same group Companies.	12.02.2016	930.00	NA
	Transfer of Employee benefit liability from the associate	One time	Employees shifted from associate group Company having similar business.	Mutual contract or arrangement between two same group Companies.	14.12.2016	1928.32	NA
	Advance given for purchase of land	One time	Agreement for sale of land between two group Companies	Mutual contract or arrangement between two same group Companies.	14.12.2016	6,07,500.00 (Agreement value Rs. 6,50,000.00 thousands)	NA
	Advance received back	One time	Land purchase agreement stands cancelled	Mutual contract or arrangement between two same group Companies.	–	6,07,500.00	NA

For and on behalf of Board
Oswal Agro Mills Limited

Place : New Delhi
Dated : 09.08.2017

Aruna Oswal
Chairperson
DIN: 00988524

Annexure-V

POLICY ON APPOINTMENT AND REMUNERATION OF BOARD MEMBERS

Criteria for Board Membership

Directors

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

Independent Director

Independent Director is a Director who has no direct or indirect material relationship with the Company or any of its officers, other than as a Director or shareholder of the Company. Independent Director shall meet all criteria specified in Section 149(7) of the Companies Act, 2013 and rules made thereunder and the criteria specified in Listing Regulations.

Remuneration Policy

Directors

Nomination and Remuneration Committee shall recommends the remuneration for the Non-Executive Directors and Whole-Time Director and other Executive Directors. This will be then approved by the Board and the shareholders of the Company, wherever it may be required. Prior approval of shareholders will be obtained wherever applicable in case of remuneration to non-executive Directors.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to Whole Time Director. Salary shall be paid within the range approved by the Shareholders. Within the prescribed ceiling, the perquisites package shall also be approved by the Remuneration Committee.

The remuneration paid to Executive Directors shall be determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals/ Business Executives. Independent Non- Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees and commission as approved by the Board and shareholders.

Key Managerial Personnel

The remuneration largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

Annexure-VI

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

   The objective of the Policy is to operate Company's business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders and other objects of the Company alongside taking up CSR Programs, directly or indirectly, that benefit the communities and society at large, over a period of time, in enhancing the quality of life & economic well-being of the local populace.

2. **Projects or programmes proposed to be undertaken**
   - Eradicating Hunger, Poverty & Malnutrition.
   - Preventive Health Care.
   - To promote education with an aim to educate children among the weaker section of society.
   - Promotion of health awareness & immunity building initiatives.
   - To support the medical treatment of cancer patients through Mohan Dai Oswal Cancer Hospital.
   - To provide residential houses to the weaker section of society.

   The Composition of CSR Committee

   CSR Committee consists of Smt. Aruna Oswal (Chairperson), Shri Anil Bhalla, Non-Executive Director, Shri Vikram and Smt. Shikha Jain, Non-Executive Independent Director.

3. **Average net profit of the Company for last three financial years:**
   Profit before tax for last three financial years:
   2016-17 : NIL
   2015-16 : NIL
   2014-15 : NIL
   Average net profit : NIL

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : NIL**

5. **Details of CSR spent during the financial year**
   a. Total amount spend from (April 2016 - March 2017) :NIL [Average Net profit for the three immediately preceding financial years, as per Section 198 of the Companies Act, 2013 ("Act") is nil. Accordingly, company was not required to spend any amount on CSR activities as per Section 135 of the Act in the previous year.]
   b. Amount unspent, if any: NIL

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board report:** Not Applicable

7. **Responsibility statement of CSR Committee:**

   We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with Company's CSR objectives and CSR Policy of the Company.

By Order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Dated : 09.08.2017

Aruna Oswal
Chairperson
DIN: 00988524

REPORT ON CORPORATE GOVERNANCE

Our Corporate Governance is a reflection of our value system encompassing our culture, policies, relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Good Corporate Governance ensures corporate success and economic growth. The Company's Governance framework is based on the appropriate composition and size of the Board with each member having their own expertise in their respective domains. It also includes timely disclosure of all material information to Shareholders.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Philosophy of the Company on Corporate Governance aims at attainment of the highest levels of transparency, accountability and equity in the functioning of the Company vis-a-vis interactions with employees, shareholders, creditors and customers. The objective of the Company is not only to meet the statutory requirements of the code but also go beyond it by instituting such systems and procedures as require in accordance with the latest global trends of making management completely transparent and institutionally sound.

Company is fully committed to practice sound Corporate Governance and uphold the highest standards in conducting business. We believe that an active, well-informed and independent Board is necessary to ensure highest standards of Corporate Governance.

We ensure that we evolve and follow not just the stated corporate governance guidelines, but also global best practices. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance as well as the leadership and governance of the Company.

The Company is complying with the prescribed Corporate Governance Practices as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as 'Listing Regulations'). A report on the matters and the practice followed by Oswal Agro Mills Limited is detailed herein below:

1. BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long-term interests are being served.

OAML's corporate governance practices are shaped by its Board of Directors. The Board is committed to protecting the long term interests of all our stakeholders and considering this, it provides objective and prudent guidance to the Management. Information relating to procedures, composition and committees of the Board is provided below:

a) Composition

At present, there are 6 Directors on the Board of the Company. The Board comprises of Executive and Non-Executive Non-Independent Directors and Non-Executive Independent Directors including Women Director. None of the Directors of the Company's Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Director. All the Directors have made necessary disclosures regarding positions held by them in other companies. Further, none of the Board of Directors of the Company holds office of Directorship in more than 15 companies. The composition of the Board is in conformity with the Listing Regulations and having optimum combination of Executive and Non-Executive Directors with at least one Women Director, with not less than fifty percent of the Board comprising of Non-Executive Directors and at least one-half of the Board comprising of Independent Directors.

b) Category of Directors and Attendance of each Director at the Board Meetings and at the last Annual General Meeting

The Composition of the Board, attendance of each of the Directors at the Board Meeting held during the financial year ended 31st March, 2017 and at the last Annual General Meeting is as under:-

Name of Directors	DIN No.	Designation	Category	No. of Meetings Held	No of Meetings Attended	No. of Directorship in other Companies	No of Membership in Board Committees		Attendance at the Last AGM
							As Chairman	As Member	
Smt. Aruna Oswal	00988524	Director	NENI	7	5	5	2	4	No
Shri Anil Bhalla	00587533	Director	NENI	7	7	2	1	7	No
Shri Bhola Nath Gupta	0562338	Director	ENI	7	3	–	–	2	Yes
Shri Harnish Bindra	07112509	Director	NEI	7	1	–	3	1	Yes
Smt Shikha Jain	02615074	Director	NEI	7	7	1	–	3	No
Shri Vikram	07555192	Director	NEI	7	3	–	–	4	Yes
Shri Vishal Mishra*	07238903	Director	NEI	7	1	–	–	–	NA

Note: * Shri Vishal Mishra, Non-Executive Independent Director resigned from the post of Director of the company w.e.f. 29th June, 2016.

c) Number of Board Meetings held and the dates of the Board Meetings

During the year under review Seven Board Meetings were held on 02.04.2016, 30.05.2016, 29.06.2016, 06.08.2016, 13.09.2016, 14.12.2016 and 14.02.2017. The maximum time gaps between two consecutive Board Meetings are not more than four calendar months.

d) Board's Procedures

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisitions of material nature of assets, mortgages, guarantees, donations etc. are regularly placed before the Board. This is in addition to information with regard to actual operations, major litigation feedback reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

COMMITTEES OF THE BOARD

Oswal Agro Mills Limited has the following Committees of its Directors for the compliance with various Corporate Governance requirements:

1) Audit Committee
2) Stakeholders' Relationship Committee
3) Nomination & Remuneration Committee

AUDIT COMMITTEE

The Constitution, functions and terms of reference of the Audit Committee are in conformity with Section 177 of Companies Act, 2013 read with Rules made there under and Regulation 18 of Listing Regulations. Your company has an audit committee at the Board level which acts as a link between the management, the statutory and internal auditors and the Board of Directors and overseas the financial reporting process.

The Audit committee of the Board inter-alia, provides re-assurance to the Board on the existence of an effective internal control environment that ensures:

- Efficiency and effectiveness of operations
- Safeguarding of assets and adequacy of provisions for all liabilities.
- Reliability of financial and other management information and adequacy of disclosures
- Compliance with all relevant statues.

(a) The objects of constitution of the Audit Committee include:

The broad terms of reference are as under:-

i. Oversight of the Company's financial reporting process, and disclosure of financial information, so as to ensure accuracy of information.

ii. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditors and the fixing of audit fees.

iii. Approval of payment to statutory auditors for any other service rendered.

iv. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
   - Matters required to be included in the Directors' Responsibility Statement that is a part of the Directors' Report under Section 134 (5) of the Companies Act, 2013;
   - Changes, if any, in accounting policies and practices and the reasons for the same;
   - Major accounting entries involving estimates based on the exercise of judgment by the Management;
   - Significant adjustments made in the financial statements arising out of audit findings;
   - Compliance with listing and other legal requirements relating to financial statements;
   - Disclosure of any related-party transactions; and
   - Qualifications in the draft Audit Report.
   - Compliance with listing and other legal requirements relating to financial statements;
   - Disclosure of any related-party transactions; and
   - Qualifications in the draft audit report.

v. Reviewing with the Management the quarterly financial statements before submission to the Board for approval, performance of the statutory and internal auditors, and adequacy of internal control.

vi. Reviewing, the functioning of the Whistle Blower Mechanism/Vigil Mechanism.

vii. Mandatorily reviewing the following information:
   - Management discussion and analysis of financial condition and results of operations;
   - Statement of significant related-party transactions;
   - Management letters/letters of internal control weakness issued by the statutory auditors;
   - Internal Audit Report relating to internal control weakness; and
   - Appointment, removal and terms of remuneration of the Internal Auditor(s).

(b) Composition, Names of Members and Chairman

The Audit Committee comprises of Non-Executive Non Independent (NENI) and Non-Executive Independent Directors (NEID) viz. Smt. Aruna Oswal, Shri Harnish Bindra, Smt Shikha Jain, and Shri Vikram. The Audit Committee Meeting is chaired by an Independent Director in respective meeting. The composition of Audit Committee as on 31st March, 2017 is as under:-

Name of Directors	Position	Category
Smt. Aruna Oswal*1	Member	NENI
Shri Harnish Bindra	Chairman	NEID
Smt. Shikha Jain	Member	NEID
Shri Vikram*2	Member	NEID
Shri Vishal Mishra*3	Member	NEID

*1 Become member w.e.f. 02.04.2016

*2 Become member w.e.f. 29.06.2016

*3 Ceased to be the member w.e.f. 29.06.2016 due to resignation from directorship of the Company.

All the members of the Audit Committee are highly knowledgeable in the Corporate, Finance, Accounts and Company Law matters. The Statutory Auditors are invited at the Audit Committee Meetings of the Company whenever required by the Committee. The Company Secretary acts as the Secretary of the Committee.

(c) Meetings and attendance during the year

The Audit Committee met four times during the year on 30.05.2016, 13.09.2016, 14.12.2016 and 14.02.2017. The name of Members and their attendance at the Audit Committee Meeting as at 31st March, 2017, is as under:

Name of Directors	Category	Meetings Attended
Smt. Aruna Oswal	NENI	4
Shri Harnish Bindra	NEI	1
Smt. Shikha Jain	NEI	4
Shri Vikram	NEI	2
Shri Vishal Mishra*	NEI	1

*Ceased to be the member w.e.f. 29.06.2016 due to resignation from directorship of the Company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

(a) Terms of Reference

The terms of reference of the Stakeholders' Relationship Committee is to look into the redressal of shareholders and investors complaints relating to transfer, transmission, Demat/Remat requests of shares, non-receipt of Annual Reports, non-receipt of declared dividends and other related matters.

(b) Composition and names of members

As on year ended date, the Stakeholders' Relationship Committee consists of Executive, Non-Executive and Independent Directors viz. Shri Anil Bhalla, Shri Bhola Nath Gupta, Shri Harnish Bindra and Shri Vikram.

(c) Attendance during the year

The Stakeholders' Relationship Committee met twice during the year. The names of Members and their attendance at the Committee meeting is as under:

Name of Directors	Category	Meetings Attended
Shri Anil Bhalla	Non-executive Non-Independent	3
Shri Bhola Nath Gupta	Executive and Non-Independent	1
Shri Vikram*	Non-executive Independent	2
Shri Harnish Bindra	Non-executive Independent	NIL
Shri Vishal Mishra**	Non-executive Independent	NIL

*Become member w.e.f. 29.06.2016

** Resigned from membership of committee w.e.f. 29.06.2016

(d) Details of Complaints

The Company has received 18 complaints during the year ended 31.03.2017, all the complaints have been resolved till 31.03.2017.

NOMINATION & REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee ('NRC') is constituted in accordance with the provisions of Regulation 19 of the Listing Regulations read with section 178 of the Companies Act, 2013. The purpose of the NRC is to oversee the company's nomination process for the Senior Management and specifically to assist the Board in succession planning and to identify, screen and review individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board in its policy on appointment and removal of directors.

The Committee also discharges the Board's responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for executive directors and the Senior Management. The committee co-ordinates and oversee the annual self- evaluation of the performance of the Board, Committees and of the individual Directors.

Composition and names of members

As on March 31st 2017, the Nomination and Remuneration Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations, with all Directors being Non-Executives and at least fifty percent of them being Independent Directors. The composition of Nomination & Remuneration Committee as on 31st March 2017 is as under:

S. No.	Name of Members	Designation
1.	Shri Harnish Bindra (Chairman)	Non-Executive Independent Director
2.	Smt Aruna Oswal*1	Non-Executive Non-Independent Director
3.	Shri Anil Bhalla	Non-Executive Non-Independent Director
4.	Shri Vikram*2	Non-Executive Independent Director
5.	Smt. Shikha Jain	Non-Executive Independent Director
6.	Shri Vishal Mishra*3	Non-Executive Independent Director

*1 Appointed as member of Committee w.e.f. 02.04.2016.

*2 Appointed as member of Committee w.e.f. 29.06.2016.

*3 Ceased to be the member w.e.f. 29.06.2016 due to resignation from directorship of the Company.

During the financial year 2016-2017, two meetings of the Nomination & Remuneration Committee were held on 29.06.2016 and 14.02.2017.

The details of the meeting attended by the Nomination & Remuneration Committee members are given below:-

S. No.	Name of Members	Category	Number of meeting attended
1.	Shri Harnish Bindra (Chairman)	NEI	NIL
2.	Smt. Aruna Oswal	NENI	1
3.	Shri Anil Bhalla	NENI	1
4.	Shri Vikram	NEI	1
5.	Smt. Shikha Jain	NEI	2

The remuneration paid to the directors during the financial year were reviewed by the committee, in the meeting held during the last financial year.

The Company has no pecuniary relationship or transaction with its Non-Executive Independent Directors.

The remuneration paid to Executive Directors is within the limits as laid down under the provisions of the Companies Act, 2013 read with rules. The Company does not have any incentive plan linked to performance or achievement of the Company's Objectives. There is no stock option scheme for any of the Directors or Employees of the Company.

As per the disclosure made by the Non-Executive Directors of the Company, none of them is holding any Equity Shares in the Company.

Remuneration Policy

The Remuneration Policy of the Company for its Board Members is given in Annexure-V of Directors' Report forming part of Annual Report of the Company.

Details of remuneration/sitting fees paid to Directors of the Company during the financial year ended March 31st 2017 are given below:

(₹ in Lakhs)

S No.	Name of the Directors	Salary	Company's contribution to Provident Fund	Allowances/ Perquisites	Sitting fee for attending Board/Committee Meetings
1.	Shri Bhola Nath Gupta	21.67	1.37	–	–
2.	Shri Vikram	–	–	–	0.50
3.	Shri Harnish Bindra	–	–	–	0.15
4.	Smt. Shikha Jain	–	–	–	0.80
5.	Shri Vishal Mishra	–	–	–	0.10

2. OTHER COMMITTEE

Corporate Social Responsibility Committee

The purpose of our Corporate Social Responsibility and sustainability ('CSR') Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on CSR activities and to monitor from time to time the CSR activities and Policy of the company. The Committee provides guidance in formulation of CSR strategy and its implementation and also reviews practices and principles to foster sustainable growth of the Company by creating values consistent with long term preservation and enhancement of financial, manufactured, natural, social, intellectual and human capital.

The Board has constituted the Corporate Social Responsibility Committee ("CSR") in compliance of Section 135 of the Companies Act, 2013. The composition of CSR Committee as on 31st March, 2017 is given in Annexure-VI of Board Report attached in the Annual Report of the Company.

3. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

For the Year	2013–14	2014–15	2015–16
Annual General Meeting	34th	35th	36th
Date & Time	30.09.2014 & 1.00 P.M.	30.09.2015 & 12.30 P.M	29.09.2016 & 12.30 P.M.
Venue	Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab)	Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab)	Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab)
Special Resolution Passed	NIL	Yes Authority to give loans, guarantees and/or make investments under Section 186 of Companies Act, 2013 read with rules	Yes Appointment and fixation of Remuneration of Shri Bhola Nath Gupta (DIN 00562338) as CEO and Whole Time Director

4. There was no special resolution put through postal ballot in the last Annual General Meeting (AGM) of the Company held on 29.09.2016. As on date, no special resolution is proposed to be conducted through postal ballot in the ensuing AGM.

5. DISCLOSURES

i. None of the transaction with any of related parties was in conflict with the interest of the Company. Attention of Members is drawn to the disclosure of transactions with the related parties set out in the Notes on Accounts, forming part of Annual Report.

ii. During the last three years the company has not made any non-compliance, no penalties were levied, no strictures imposed on the company by the Stock Exchange or SEBI or any Statutory Authority on any matter related to the capital markets except a notice for non-appointment of women director whereby the company has appointed a women Director and informed to the exchange.

iii. The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

About the Non-mandatory requirements, the Company will endeavor to implement them to the extent possible.

iv. These financial statements, for the year ended 31st March, 2017 have been prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017, together with the comparative period data as at and for the year ended 31st March, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheets at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

v. The Company has one subsidiary namely M/s. 'Oswal Overseas Ltd.' at UAE which is under process of voluntary winding-up.

vi. Board Disclosures (Risk Management)- The company has laid down procedures to inform the Board of Directors about Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

vii. Whistle Blower Policy: The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report to the management, concerns, about ethical behavior or actual or suspected fraud or violation of the company's code of conduct or ethics policy and compliance mechanism under SEBI (Insider Trading) Regulation 1992 and 2015. Further no member of staff has been denied access to the Audit Committee.

6. CEO/CFO CERTIFICATE

As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the CEO and CFO have given appropriate certifications to the Board of Directors in their meeting held on 26.05.2017.

7. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code on annual basis in compliance with the applicable laws, rules and regulations and the Articles of Association of the Company.

8. BRIEF RESUME OF DIRECTOR(S) TO BE APPOINTED/RE-APPOINTED

A brief resume of the director proposed to be appointed/re-appointed, the nature of his expertise in specific functional areas, names of companies in which he has Directorships, Committee Memberships/ Chairmanships, his shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

9. MEANS OF COMMUNICATION

The Quarterly Financial Results of the Company are generally published in Ajit (Punjabi Edition) and The Pioneer (English Edition). Company has also displays its quarterly/annual results on its website on www.oswalagromills.com.

10. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting is propose to be held

Date	:	28th September, 2017
Day	:	Thursday
Venue	:	Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab)
Book Closure Date	:	22nd September 2017 to 28th September 2017 (both days inclusive)
Dividend Payment	:	The Directors have not proposed any dividend for the financial year ended 31st March, 2017

11. (a) Financial Calendar

Un-audited Financial Results

For the quarter ended	Tentative Dates
30.06.2017	2nd Week of August 2017
30.09.2017	2nd Week of November 2017
31.12.2017	2nd Week of February 2018
31.03.2018	2nd Week of May 2018/4th Week of May 2018
Next Annual General Meeting	Last week of September 2018

(b) Listing at Stock Exchanges

The shares of the Company are listed on the following Stock Exchanges:

Stock Exchange	Scrip Code
Bombay Stock Exchange Ltd.	500317
The National Stock Exchange of India Ltd.	Oswal Agro
The Delhi Stock Exchange Ltd.	00037
The U.P Stock Exchange Association Ltd.	Not Available
The Calcutta Stock Exchange Association Ltd.	Not Available
Madras Stock Exchange Ltd.	Oswal Agro
The Ahmedabad Stock Exchange Ltd.	Not Available

The Annual Listing Fee for the year 2017-18 has been paid to the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

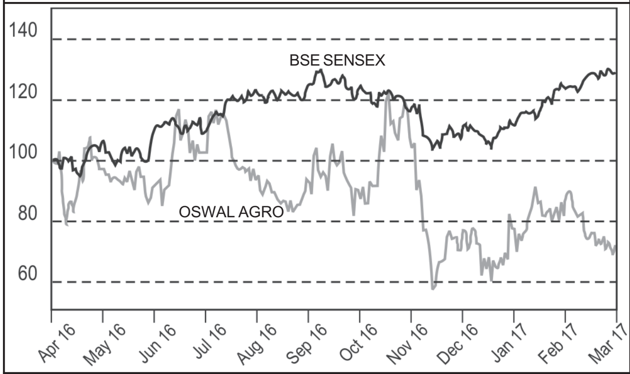
(c) Market Price Data

The market price data (high/low) during the financial year 2016-17 is given hereunder: -

April, 2016 to March, 2017 (Month wise) Bombay Stock Exchange

	HIGH (₹)	LOW (₹)
April 2016	13.48	10.81
May 2016	13.30	11.12
June 2016	13.79	11.00
July 2016	13.79	11.40
August 2016	12.70	10.87
September 2016	12.90	10.80
October 2016	13.50	11.00
November 2016	13.47	9.13
December 2016	11.25	9.56
January 2017	12.00	9.87
February 2017	11.97	10.22
March 2017	11.45	10.05

Chart: Comparison of Oswal Agro Mills Limited Share in relation to BSE SENSEX



The chart has share prices and indices indexed to 100 as on the first working day of 2016-17

(d) Distribution of Shareholding as on 31.03.2017

No. of Shares	No. of Shares Held	%	No. of Shareholders	%
1 - 500	22834307	17.01	195356	93.40
501 - 1000	6171199	4.60	8378	4.01
1001 - 2000	4400255	3.28	3085	1.47
2001 - 3000	2135824	1.59	852	0.41
3001 - 4000	1284970	0.96	364	0.17
4001 - 5000	1109277	0.83	239	0.11
5001 - 10000	3224310	2.40	444	0.21
10001 and above	93074634	69.34	437	0.21
TOTAL	**134234776**	**100.00**	**209155**	**100.00**

(e) SHAREHOLDING PATTERN AS ON 31.03.2017

	Category	No. of Shares Held	% of Shareholding
A	Promoters and Associates	56033682	41.74
B	Banks, Financial Institutions and Mutual Funds	3687054	2.75
C	Indian Public	73272027	54.58
D	NRI/OCB/FII's	1242013	0.93
	TOTAL	**134234776**	**100.00**

(f) Registrar & Share Transfer Agent

The Company has appointed M/s Skyline Financial Services Private Limited as Registrar & Share Transfer Agent for maintaining all the work related to share registry of both physical and electronic form. In case of any requirements for lodgment of transfer deeds and other queries shareholders can communicate at the following address:

M/s Skyline Financial Services Private Limited
D-153/A, First Floor, Okhla Industrial Area, Phase-I
New Delhi-110020
Ph: 011-64732681-88, Fax-011-26812683
Email: admin@skylinerta.com, Website: www.skylinerta.com

(g) Compliance Officer

Mr. Gopal, Company Secretary is Compliance Officer of the Company.
Email: cs@oswalagromills.com, Website: www.oswalagromills.com

(h) Share Transfer System

The Shares of the Company fall under the Category of compulsory demat form for all the investors. The Share Transfer requests received in physical/demat form are processed and returned to the shareholders within stipulated time by the Registrar and transfer Agent of the Company.

(i) Dematerialization of Shares and liquidity

The equity shares of the Company fall under the category of compulsory dematerialized form and are available in the Depository system of both NSDL and CDSL, for all the investors. About 79.98% of the Equity shares (107355005 equity shares) of the company have been dematerialized up to 31st March, 2017. The ISIN No is INE-142A01012 for both NSDL and CDSL.

(j) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity.
The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments.

(k) Details of Public Funding Obtained in last three years
The Company has not raised any Public funding in last three years.

(l) Address for Correspondence
Oswal Agro Mills Limited
CIN-L15319PB1979PLC012267

Registered Office:
Oswal Agro Mills Limited
Near Jain Colony, Vijay Inder Nagar,
Daba Road, Ludhiana - 141 003 (Punjab)
Phone No. +91-161-2544313
Website: www.oswalagromills.com

Head Office:
Oswal Agro Mills Limited
7th Floor, Antriksh Bhawan,
22, K.G. Marg, New Delhi - 110001
Phone No. +91-11-23753652
Fax No. +91-11-23716276
Email ID : oswal@oswalagromills.com

For and on behalf of Board
Oswal Agro Mills Limited

Place : New Delhi
Dated : 09.08.2017

Aruna Oswal
Chairperson
DIN : 00988524

CERTIFICATES

A. CERTIFICATE BY CEO OF THE COMPANY UNDER CORPORATE GOVERNANCE REPORT

DECLARATION

I declare that all Board Members and Senior Management personnel of the Company have affirmed compliance with the code of conduct for the Financial Year 2016-17.

Place : New Delhi
Date : 09.08.2017

Bhola Nath Gupta
CEO & Whole Time Director

B. CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To
The Members **"Oswal Agro Mills Limited"**

We have reviewed the compliance of conditions of Corporate Governance by Oswal Agro Mills Limited for the year ended 31st March 2017, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have conducted our review on the basis of the relevant records and documents maintained by the Company for the year ended 31st March, 2017 and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our review was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied within all respect by 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 CT & Company
Company Secretaries

Shivam Garg
Partner
COP 16406
Membership No. 44577

Place : New Delhi
Date : 09.08.2017

Management's Discussion and Analysis

This report covers the operations and financial performance of the Company for the year ended 31st March, 2017 and forms part of the Directors' Report.

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion the words "anticipate", "believe", "estimate", "intend", "will" and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward - looking statements. Readers are cautioned not to place undue reliance on these forward- looking statements as these are relevant at a point of time & adequate restrain should be applied in their use for any decision making or formation of an opinion.

Against weak global growth in the year 2016, expansion in Indian economy was noteworthy. Despite some decline in growth due to slowdown in manufacturing and demonetization, India remained the fastest growing major economy with 7.1% growth (forecasted). While demonetization of Rs.500 and Rs.1000 currency bill impacted consumer demand for some time, the economy weathered the storm well and came out unscathed. Considering India's growth is primarily driven by Government spending and private consumption, latter of which got impacted by demonetization, strong growth numbers provided a lot of comfort on the strength of the economy. Not only growth but Indian economy did well on other macro -economic parameters also. India also passing of long awaited GST Bill. GST has been applicable from 1st July 2017 and industries will get its benefits in the future. Indian currency strengthened significantly against US$ towards the end of the year creating another set of challenge for Indian exporters. By the end of Financial Year 2016-17, Indian rupee was its highest level against both US$ and EUR in almost one and half years.

Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner, the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

The discussion and analysis statement should be read in conjunction with the Company's financial statements included herein and the notes thereto.

OVERVIEW

During the year, the Company undertook activities in the real estate sector and had sustained losses of Rs. 82.04 lakhs as against Profit of Rs. 28.87 lakhs (restated figure as per IND-AS) in the previous year.

The Company is continuing the business of investments and the future outlook looks bright.

SEGMENTWISE PERFORMANCE

During the year ended 31st March 2017, the company was operating under the business of Real Estate and Investing activities and Trading as separate business segments. Details of segment wise revenue, results and capital employed are given in Note No. 2.43 of Notes of Accounts, forming part of the Annual Report.

SUBSIDIARY COMPANY AND ASSOCIATES

SUBSIDIARY

The Company has one subsidiary namely M/s. Oswal Overseas Ltd. at UAE which is under process of voluntary winding-up.

ASSOCIATE

The Company has one associate company namely M/s Oswal Greentech Ltd.

DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The relation with employees remains cordial throughout the year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have implemented an internal control framework to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and transactions are authorized, recorded and reported correctly. The framework includes internal controls over financial reporting, which ensures the integrity of financial statements of the company and eliminates the possibility of frauds.

The Company has instituted adequate internal control procedure(s) commensurate with the nature of its business and the size of its operations for the smooth conduct of its business. Internal audit is conducted continually, at all locations and covers the key areas of operations. It is an independent, objective and assurance function, responsible for evaluating and improving the control and governance processes. The Internal Auditors do not have any adverse comments on the internal control systems of the Company.

RISKS & CONCERNS

Risks and threats are imminent part of any business. The Company has adequate and appropriate systems in place to ensure that the impacts of these risks are minimized and interest of the company are protected. Also, based on the operations of the Company, risks are identified and steps are taken to mitigate them.

Your company at present is exposed to the normal industry risk factor of volatility in Real estate sector and the environment with which it operates including inter alia material risk, human resources risk, execution risk and any significant downtown in the economic cycle.

OPPORTUNITIES AND OUTLOOK

The implementation of the Goods and Service Tax will be transformative for the Indian economy and we expect this to result in a marked boost to consumption and GDP growth.

The Company is exploring the possibilities of undertaking some real estate projects, the outlook for which seems to be quite encouraging.

The Company is cautiously optimistic in its outlook for the year 2017-18.

RISK MANAGEMENT

The Company recognizes the importance of risk management and has invested in appropriate processes, people and management structure. Towards this end, the Board of Directors had reviewed the Risk Management Policy towards implementation of its risk management strategy and to review the systems used to manage and identify risks faced by your Company. The risk function is supervised by the Audit Committee of the Board. Audit Committee reviews the asset quality on a quarterly basis.

It is the endeavor of the management that the profitability of the company is insulated to the extent possible from all the risks by taking appropriate steps for mitigating the risks in a proper manner. The Board takes the responsibility for the management in the organization. Results of the risk assessments and residual risks are presented to the senior management and the Audit Committee members. The management is accountable for the integration of the risk management practices into the day-to-day activities. The scope of the Audit Committee includes review of the Company's financial and risk management policies.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's Objectives, projections, estimates, expectations or predictions may be “forward looking” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

INDEPENDENT AUDITOR'S REPORT

To the Members of Oswal Agro Mills Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Oswal Agro Mills Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure 1"** a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
   (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"**, and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 2.40 to the standalone Ind AS financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management- Refer Note 2.50 to the standalone Ind AS financial statements.

For **T R Chadha & Co LLP**
Chartered Accountants
(Firm Registration No -006711N/ N500028)

Surender Kumar
(Partner)
Membership No. 082982

Place : New Delhi
Dated : 26th May, 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

Referred to in our report of even date to the members of Oswal Agro Mills Limited on the standalone Ind AS financial statements for the year ended 31st March 2017, we report that:

(i) a) In our opinion and according to the information and explanation given to us during the course of audit, the company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and investment properties.

b) In our opinion and according to the information and explanation given to us during the course of audit, property, plant and equipment and investment properties have been physically verified by the management at reasonable interval having regard to the size of the company and the nature of its assets and no material discrepancy was noticed on such verification as compared to book records.

c) According to the information and explanations given to us and on the basis of records examined by us, the titled deeds of the immovable properties are held in the name of the company subject to following limitations:

Particulars of the Immovable Property	Gross Block as at 31st March, 2017 (in ₹ thousand)	Net carrying amount as at 31st March, 2017 (in ₹ thousand)	Remarks
1) Building at Vijay Vihar, Chembur, Mumbai	560.89	532.02	Photocopy of the original title deeds was provided.
2) Freehold Land at Ludhiana, Punjab	3,088.25	3,088.25	Title deed is not available with the Company. However, the same has been verified from Tehsildar's record, duly certified.

(ii) In our opinion and according to the information and explanations given to us, inventories have been physically verified by the management at reasonable intervals having regard to the size of the company and no material discrepancy was noticed on such verification as compared to book records.

(iii) In our opinion and according to the information and explanation given to us during the course of audit, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, sub clauses (a), (b) & (c) of paragraph 3(iii) the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us during the course of audit, the Company has complied with the provisions Section 185 and 186 of the Act in respect of loans and investments of the Company. Further, the company has not given any guarantee or security; accordingly, to this extent paragraph 3(iv) of the Order is not applicable.

(v) In terms of the books and records examined by us, we state that the Company has not accepted any deposit from the public in terms of section 73 to 76 of the Act and the rules framed thereunder.

(vi) In our opinion and according to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act. Therefore, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and the books and records examined by us, we state that the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable. There are no outstanding statutory dues for more than six months from the date they became payable as on 31st March 2017.

(b) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that there are no dues of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except disclosed as under:

Name of Statute	Nature of the Dues	Period to which it relates	Amount in (₹ thousand)	Forum where it is pending
Punjab General Sales Tax Act, 1948 (PGST)	Value Added Tax	1994-1995	16,151.28	Punjab VAT Tribunal
Punjab General Sales Tax Act, 1948 (PGST)	Value Added Tax	1998-1999	1352.63	Punjab VAT Tribunal
Punjab General Sales Tax Act, 1948 (PGST)	Value Added Tax	1999-2000	1422.73 (Paid under protest ₹ 474.25 thousand)	Punjab VAT Tribunal
Central Sales Tax Act, 1956	Central Sales Tax	1994-1995	349.33	Punjab VAT Tribunal

(viii) The company does not have any loans or borrowing from any financial institution, bank, Government or debenture holders during the year. Accordingly, Paragraph 3(viii) of the Orders not applicable.

(ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanation given to us no fraud by the company or on the company, by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanation given to us during the course of audit, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

(xii) In our opinion and according to the information and explanation given to us during the course of audit, the company is not a Nidhi company. Therefore, clause 3(xii) of the Order are not applicable.

(xiii) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that transactions with the related parties are in compliance with sections 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS standalone financial statements as required by the applicable accounting standards.

(xiv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.

(xv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the Company has not entered into non- cash transaction with directors or persons connected with him. Therefore paragraph 3(xv) Order is not applicable.

(xvi) In our opinion and according to the information and explanation given to us during the course of audit, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **T R Chadha & Co LLP**
Chartered Accountants
(Firm Registration No -006711N/ N500028)

Surender Kumar
(Partner)
Membership No. 082982

Place : New Delhi
Dated : 26th May, 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

Referred to in our report of even date to the members of Oswal Agro Mills Limited on the standalone Ind AS financial statements for the year ended 31st March, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Oswal Agro Mills Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial control over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **T R Chadha & Co LLP**
Chartered Accountants
(Firm Registration No -006711N/ N500028)

Surender Kumar
(Partner)
Membership No. 082982

Place : New Delhi
Dated : 26th May, 2017

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2017

(₹ in thousand)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015 *(Restated)*
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	2.3	46,677.50	48,180.94	47,237.31
(b) Investment Property	2.4	25,097.91	25,466.05	25,834.19
(c) Investment in subsidiary and associates	2.5	2,391,154.89	4,078,456.89	2,555,554.89
(d) Financial Assets				
(i) Investments	2.6	143,069.85	152,619.75	231,087.64
(ii) Loans	2.7	593,669.81	570,321.35	193,101.09
(e) Other non-current assets	2.8	31,296.60	49,828.70	72,167.37
		3,230,966.56	**4,924,873.68**	**3,124,982.49**
(2) Current assets				
(a) Inventories	2.9	648,885.17	647,616.37	207,403.70
(b) Financial Assets				
(i) Investments	2.10	1,165,327.88	–	398,356.11
(ii) Trade Receivables	2.11	–	151,198.75	204,430.00
(iii) Cash and cash equivalents	2.12	109,521.52	4,916.26	54,463.53
(iv) Bank Balances other than cash and cash equivalents	2.13	4,515.86	4,486.68	38,278.88
(v) Loans	2.14	442,431.72	2,000.00	730,000.00
(vi) Other financial assets	2.15	58,472.82	48,027.45	56,725.15
(c) Current tax assets (net)	2.16	–	4,415.26	–
(d) Other current assets	2.17	459.40	32.59	1,000,020.00
		2,429,614.37	**862,693.36**	**2,689,677.37**
Total Assets		**5,660,580.93**	**5,787,567.04**	**5,814,659.86**
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share capital	2.18	1,342,347.76	1,342,347.76	1,342,347.76
(b) Other equity	2.19	4,249,239.21	4,331,069.88	4,302,399.49
		5,591,586.97	**5,673,417.64**	**5,644,747.25**
Liabilities				
(2) Non-current liabilities				
(a) Provisions	2.20	3,122.79	272.53	574.60
(b) Deferred Tax Liabilities (net)	2.21	7,255.48	6,744.60	–
		10,378.27	**7,017.13**	**574.60**
(3) Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	2.22	–	85,623.75	154,306.77
(ii) Other financial liabilities	2.23	7,159.44	2,010.60	2,781.42
(b) Other current liabilities	2.24	26,131.71	10,417.15	10,372.01
(c) Provisions	2.25	2,397.97	2,685.12	1,681.69
(d) Current Tax Liabilities (net)	2.26	22,926.57	6,395.65	196.12
		58,615.69	**107,132.27**	**169,338.01**
Total Equity and Liabilities		**5,660,580.93**	**5,787,567.04**	**5,814,659.86**
III. SIGNIFICANT ACCOUNTING POLICIES	2.1 & 2.2			

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in thousand)

	Particulars	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
I	Revenue from operations	2.27	155,001.00	151,198.75
II	Other income	2.28	167,890.17	152,861.44
III	**Total Income (I+II)**		**322,891.17**	**304,060.19**
IV	**Expenses:**			
	Purchases of stock-in-trade	2.29	155,458.13	554,174.21
	Changes in inventories of stock in trade and work-in-progress	2.30	(1,268.80)	(404,050.45)
	Employee benefits expense	2.31	7,595.03	7,064.61
	Finance costs	2.32	993.82	602.54
	Depreciation and amortization expense	2.33	1,846.28	1,666.18
	Other expenses	2.34	61,270.71	55,409.25
	Total expenses (IV)		**225,895.17**	**214,866.34**
V	**Profit before exceptional item and tax (III - IV)**		**96,996.00**	**89,193.85**
VI	Exceptional item	2.35	140,562.00	33,409.46
VII	**Profit before tax (V-VI)**		**(43,566.00)**	**55,784.39**
VIII	**Tax expense:**	2.36		
	-Current tax		37,959.73	20,173.20
	-Deferred tax		510.88	6,744.60
IX	**Profit for the year after tax (VII-VIII)**		**(82,036.61)**	**28,866.59**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	-Net Gain/(loss) on remeasurement of defined benefit plan		205.94	(196.20)
	-Income tax relating to these items		–	–
	Total Other Comprehensive Income/(Loss)		**205.94**	**(196.20)**
XI	**Total Comprehensive income for the year (IX+X)**		**(81,830.67)**	**28,670.39**
XII	**Earnings per equity share (Face Value of ₹ 10/- each)**	2.37		
	Basic/Diluted		(0.61)	0.22
XIII.	**SIGNIFICANT ACCOUNTING POLICIES**	2.1 & 2.2		

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in thousand)

Particulars		Year Ended 31.03.2017		Year Ended 31.03.2016
I. CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		(43,566.00)		55,784.39
Adjustments for:				
- Non-cash exceptional items	140,562.00		33,409.46	
- Depreciation and amortisation expense	1,846.28		1,666.18	
- Finance costs	993.82		602.54	
- Interest income on financial assets at amortised cost at EIR	(86,756.08)		(146,182.55)	
- Profit on disposal of investments measured at FVTPL	(61.22)		–	
- Net gain on financial assets carried at FVTPL	(10,018.98)		(6,354.07)	
- Net losses on financial assets measured at FVTPL	–		2,376.39	
- Foreign Exchange fluctuation gain (net)	(66,095.80)		–	
- Impairment losses on investment in associates measured at cost	–		7,398.00	
- Rental Income on investment property	(913.04)		(120.00)	
- Property, plant and equipment written off	25.30		–	
- Sundry Balances written off	363.16		1,418.56	
- Provisions no longer required written back	(79.54)		(40.15)	
- Provision for Gratuity & Leave Encashment	2,532.44	(17,601.66)	324.66	(105,500.98)
Operating profit before working capital changes and tax		**(61,167.66)**		**(49,716.59)**
Adjustments for changes in working capital:				
- (Increase)/Decrease in inventories	(1,268.80)		(464,121.16)	
- (Increase)/Decrease in trade receivables and other current assets	150,408.78		1,051,800.09	
- (Increase)/Decrease in current and non-current financial assets	(250.18)		749.75	
- Increase/(Decrease) in trade payables and other current liabilities	(69,829.64)		(68,597.74)	
- Increase/(Decrease) in other current financial liabilities	5,148.82	84,208.98	(770.82)	519,060.12
Cash generated from operations before tax		**23,041.32**		**469,343.53**
- Wealth Tax Paid	–		(196.12)	
- Income Taxes (Payment) / Refund	1,518.56	1,518.56	4,145.86	3,949.74
Net cash from/(used in) operating activities		**24,559.88**		**473,293.27**
II. CASH FLOWS FROM INVESTING ACTIVITIES				
- Purchase of property, plant and equipment	–		(2,241.67)	
- (Purchase)/Sale of investments in subsidiary and associate	1,612,835.80		–	
- (Purchase)/Sale of other investments	9,611.12		(1,430,300.00)	
- Purchase of current investments	(2,084,500.00)		(1,078,000.00)	
- Sale of current investments	929,191.10		1,482,710.18	
- Extending of intercorporate loans	(660,000.00)		(435,500.01)	
- Repayment of intercorporate loans	196,500.00		785,500.00	
- Movement in Fixed Deposits	(29.18)		382.74	
- Rental Income on investment property received	913.04		120.00	
- Interest Received	76,280.71	80,802.59	154,910.25	(522,418.51)
Net cash from/(used in) investing activities		**80,802.59**		**(522,418.51)**
III. CASH FLOWS FROM FINANCING ACTIVITIES				
Finance cost paid	(757.21)	(757.21)	(422.03)	(422.03)
Net cash generated from/(used in) financing activities		**(757.21)**		**(422.03)**
Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)		104,605.26		(49,547.27)
Cash and cash equivalents at the beginning of the year		4,916.26		54,463.53
Cash and cash equivalents at the end of the year		**109,521.52**		**4,916.26**
IV. Components of Cash and cash equivalents as per Note 2.12				
Balances with banks				
- on Current Account		109,411.71		4,866.29
Cash on hand		109.81		49.97
Total		**109,521.52**		**4,916.26**
V. Significant accounting policies and notes forms an integral part of standalone financial statement				

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Ind AS-7 notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
2. Figures in brackets indicate cash outgo.
3. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹ thousand unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	As at Year ended 31.03.2017	As at Year ended 31.03.2016
Balance at the beginning of the year	1,342,347.76	1,342,347.76
-Addition/(Deletion) during the year	–	–
Balance at the end of the year	**1,342,347.76**	**1,342,347.76**

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other comprehensive income	
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Remeasurement of defined benefit plan	Total
Balance as at April 1, 2015	4,464,882.64	1,500.00	318,976.09	(482,959.24)	-	4,302,399.49
Profit for the year 2015-16	-	-	-	28,866.59	-	28,866.59
Other comprehensive income for 2016-17	-	-	-	-	(196.20)	(196.20)
Balance as at March 31, 2016	**4,464,882.64**	**1,500.00**	**318,976.09**	**(454,092.65)**	**(196.20)**	**4,331,069.88**
Profit for the year for 2016-17	-	-	-	(82,036.61)	-	(82,036.61)
Other comprehensive income for 2016-17	-	-	-	-	205.94	205.94
Balance as at March 31, 2017	**4,464,882.64**	**1,500.00**	**318,976.09**	**(536,129.26)**	**9.74**	**4,249,239.21**

Significant accounting policies and notes form an integral part of standalone financial statements.

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of
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CEO and Director
DIN : 00562338

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Chief Financial Officer

Gopal
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹ thousand unless otherwise stated)

1. COMPANY OVERVIEW

Oswal Agro Mills Limited is a listed company incorporated and domiciled in India and has its principal place of business at 7th Floor, Antriksh Bhawan, Kasturba Gandhi Marg, Connaught Place, New Delhi- 110001.The company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The principal business of the company is trading of residential/commercial flats/plot of lands and development of residential townships. Further, the company also lends its surplus funds as interest bearing inter-corporate deposits. The standalone financial statements are approved for issue by the company's board of directors on May 26, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and presentation of standalone financial statements

(a) Basis of preparation of standalone financial statements

These standalone financial statements have been prepared and presented on a going concern basis under the historical cost convention (except those revalued), on the accrual basis of accounting and comply with the Indian Accounting Standards prescribed by Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India, guidelines issued by Securities and exchange board of India (SEBI) and the relevant provisions of the Companies Act, 2013/Companies Act, 1956, as adopted consistently by the Company.

(b) Statement of compliance with Ind ASs

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules notified till date of standalone financial statements, to the extent applicable.

For year ended 31st March 2016, the Company prepared its standalone financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 i.e. Indian GAAP. These standalone financial statements for the year ended 31st March 2017 are the first that Company has prepared in accordance with Ind AS along with the comparative figures for the year ended 31st March 2016. Some of the Company’s Ind AS accounting policies used in the opening balance sheet are different from its previous GAAP policies applied as at 31st March, 2015, and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustments arose from the events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognised directly through retained earnings as at 1st April, 2015. This is the effect of the general rule of Ind AS 101 which is to apply Ind AS retrospectively.

(c) Basis of Measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis except for the defined benefit and other long-term employee benefits obligations and Investments measured at fair value through profit and loss (FVTPL)/ fair value through other comprehensive income (FVTOCI) that have been measured at fair value as required by relevant Ind AS.

(d) Use of Estimates and Judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements is included in the following notes:

i) **Income taxes:** The Company’s tax jurisdiction is India. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii) **Provisions and Contigencies:** The assessments undertaken in recognishing the provisions and contingencies have been made in accordance with Ind AS 37, ‘Provisions, Contingent Liabilities and Assets’. The evaluation of the likelihood of the contingent events has required best judgement by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could after.

iii) **Post Employment benefit plan:** Employee benefits obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase and the inflation rate. The company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv) **Other estimates:** The preparation of standalone financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of standalone financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns etc.

(e) Functional and Presentation Currency

Items included in the standalone financial statements of the company are measured using Indian Rupee (₹) which is the functional currency of the company and the currency of the primary economic environment in which the entity operates. The presentation currency of the company is also Indian Rupee (₹) (rounded off to ₹ thousand upto two decimals)

2.2 Summary of significant accounting policies

A. Financial Instruments

i) Financial Assets

Financial assets comprise investments in equity and debt instruments, mutual funds, security deposits, inter-corporate deposits, trade receivables, Cash and cash equivalents and other eligible assets.

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

Initial recognition and measurement

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

Financial Assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These financial assets are subsequently carried at amortized cost using the effective interest method, less any impairment loss. The EIR amortisation is recognised as finance income in the Statement of Profit and Loss. Assets at amortised cost are represented by inter corporate deposits, trade receivables, security deposits, cash and cash equivalents and other eligible current and non-current financial assets.

- Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets held within a business model whose objective is achieved by both collecting the contractual cash flows and selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payment towards principal and interest (SPPI) on principal outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognised in other comprehensive income. However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model.

- Equity instruments other than investment in associates: The management determines at the initial recognition of investments in Equity instruments whether to measure it at FVTPL or FVTOCI. However, the equity instruments held for trading are always classified at fair value through Profit or Loss (FVTPL). The classification of investments at FVTOCI is irrevocable. Fair value changes on equity instruments at FVTOCI, excluding dividends, are recognised in other comprehensive income (OCI).

- Financial assets at fair value through Profit or Loss (FVTPL): Financial assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. Fair value changes are recognised in Statement of Profit and Loss.

Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or the financial asset is transferred and the transfer qualified for derecognition. On derecognition of financial asset in its entirety the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in Statement of Profit and Loss.

Impairment of financial assets

Trade receivables, contract assets, receivables under Ind AS 109, investments in debt instruments that are carried at amortised cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses (ECL) for the respective financial asset. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss. The approach followed by the company for recognising the impairment loss is given below:

i) Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. The company estimates the following provision matrix at the reporting date:

Period past due	Default rate
0 to 6 months	0%
6 to 12 months	5%
more than 12 months	10%
doubtful receivables	100%

ii) Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is sued. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

iii) Financial liabilities

Financial liabilities comprise trade payables and other eligible liabilities.

Initial recognition and measurement

Financial liabilities are initially recognised at fair value. Any transaction costs that are attributable to the acquisition of the financial liabilities (except financial liabilities at fair value through profit or loss) are deducted from the fair value of financial liabilities.

Subsequent measurement

i) Financial liabilities at amortised cost: The Company has classified the following under amortised cost:

a) Trade payables

b) Other eligible financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the cumulative amortisation using the effective interest rate (EIR) method of any difference between that initial amount and the maturity amount.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

- Financial liabilities at fair value through profit or loss (FVTPL): Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Derecognition of financial liabilities

A financial liability shall be derecognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

iii) Off setting of financial assets and financial liabilities:

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legal enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

iv) Reclassification of financial assets

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated at FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

B. Inventories

Inventories are valued as under:

-Land and plots other than area transferred to construction work-in-progress of constructed properties are valued at lower of cost or net realisable value. Cost includes land acquisition cost and land development cost. Cost of land and plots is determined on specific identification basis.

-Construction work-in-progress of constructed properties include the cost of land, internal development costs, external development charges, construction costs, overheads, borrowing cost, development/construction materials and is valued at lower of cost/estimate cost and net realisable value.

-Trading of real estate- the cost includes purchase and other costs in bringing the inventory in their present location and condition. Cost is determined specific identification basis.

C. Property, Plant and Equipment

Property, Plant and Equipment is carried at cost less accumulated depreciation and accumulated impairment losses. The cost comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Cost of self constructed asset include the cost of material, direct labour and any other costs directly attributable to bringing the asset to its working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognised net within "Other income/ Other expenses" in the Statement of Profit and Loss

The cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

Subsequent costs

The cost of replacing part of an item of Property, Plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation

Depreciation on property, plant & equipment other than in relation to Chembur project is provided pro-rata to the period of use, on the Straight Line Method rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

Depreciation on tangible assets in relation to Project at Chembur is provided on the Written Down Value method rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful life (Years)
Buildings	60
Furniture & Fixture	10
Plant & Machinery	15
Office Equipment	5
Computer	3
Vehicles	8

The company follows component approach as envisaged in Schedule II to the Companies Act, 2013. The approach involves identification of components of the asset whose cost is significant to the total cost of the asset and have useful life different from the useful life of the remaining assets and in respect of such identified components, useful life is determined separately from the useful life of the main asset.

Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term.

Depreciation on additions is provided on a pro-rata basis from the month of acquisition/installation. Depreciation on sale/deduction from property, plant & equipment is provided for up to the date of sale/adjustment, as the case may be.

Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

D. Intangible assets

Intangible asset are carried at cost of acquisition less amortisation. The cost of an item of intangible assets comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Amortisation of Intangible assets

Intangible assets are amortised on straight line method on pro-rata basis over a period of three years.

E. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 60 years from the date of original purchase as per the requirement of Schedule II of the Companies Act, 2013. The leasehold investment properties are amortised over the term of the lease.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

F. Investment in subsidiaries and associates

Investment in subsidiaries and associates is recognised at cost less impairment. Dividend income from subsidiaries and associates is recognised when its right to receive the dividend is established.

G. Foreign currency transactions and balances

Transactions in foreign currencies are initially recognised in the standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non- monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non- monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognised in the Statement of Profit and Loss for determination of net profit or loss during the period.

H. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

I. Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

J. Deposits provided to lessor

The company is generally required to pay refundable security deposits in order to obtain property leases from various lessor. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.“Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight line basis over the lease term as lease rental expense.

K. Revenue

Revenue from the sale of Flat/Plots is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Interest income is recognized as it accrues in Statement of Profit and Loss using the effective interest method.

Profit on trading of mutual fund units is recognised only on redemption of units.

L. Impairment of non-financial assets

The carrying amount of the Company’s non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from the continuing use that are largely independent of cash inflows of other assets or group of assets (the cash generating unit).

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment losses are recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or group of units on a pro rata basis.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

M. Earnings per share (EPS)

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

N. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, cash at banks, demand deposits, short-term deposits with an balance maturity of three months or less as at the balance sheet date, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits, short-term deposits with balance maturity of three months or less from the balance sheet date and other short term investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

O. Employee Benefits

i) Short Term Benefits

Employee benefits (other than post employment benefits) which fall due wholly within twelve months after the end of the year in which the employees render the related service are recognized at the amount expected to be paid for it.

ii) Post Employment Benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company’s only obligation is to pay a fixed amount with no

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following post employment benefit plans:

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

iii) Other long term employee benefits

Leave Encashment

The employees of the Company are entitled to leave encashment. The employees can carry forward a portion of the unutilised accumulating leaves and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for leave encashment in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of leave encashment as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated leave encashment based on actuarial valuation. Non-accumulating leave encashment are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

P. Provisions & Contingencies

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect current management estimates. Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. When there is a possible obligation or present obligation where the likelihood of an outflow is remote, no disclosure or provision is made.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Q. Income Taxes

Income tax comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax

Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in standalone financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.3 PROPERTY, PLANT AND EQUIPMENT

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2017

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 01.04.2016	Additions	Disposal/ Adjustments	As at 31.03.2017	Upto 01.04.2016	For the Year	Adjustments During the Year	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land										
- Freehold	11,356.81	–	–	11,356.81	–	–	–	–	11,356.81	11,356.81
Buildings										
- Freehold	34,674.65	–	–	34,674.65	871.55	871.55	–	1,743.10	32,931.55	33,803.10
Plant & Equipments	2,317.25	–	483.87	1,833.38	146.14	376.39	458.57	63.96	1,769.42	2,171.11
Furniture & Fixtures	140.03	–	–	140.03	12.72	36.72	–	49.44	90.59	127.31
Vehicles	727.12	–	–	727.12	177.52	177.52	–	355.04	372.08	549.60
Office Equipments	241.65	–	–	241.65	89.83	15.96	–	105.79	135.86	151.82
Others										
- Computers	21.47	–	–	21.47	0.28	–	–	0.28	21.19	21.19
Total	**49,478.98**	**–**	**483.87**	**48,995.11**	**1,298.04**	**1,478.14**	**458.57**	**2,317.61**	**46,677.50**	**48,180.94**

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2016

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	Deemed cost As at 1.04.2015 (Refer Note)	Additions	Sale/ Disposal/ Adjustments	As at 31.03.2016	Upto 01.04.2015	For the Year	Adjustments During the Year	Upto 31.03.2016	As at 31.03.2016	As at 01.04.2015
Land										
- Freehold	11,356.81	–	–	11,356.81	–	–		–	11,356.81	11,356.81
Buildings										
- Freehold	34,674.65			34,674.65	–	871.55		871.55	33,803.10	34,674.65
Plant & Equipments	478.73	1,838.52	–	2,317.25	–	146.14	–	146.14	2,171.11	478.73
Furniture & Fixtures	–	140.03	–	140.03	–	12.72	–	12.72	127.31	–
Vehicles	727.12			727.12	–	177.52	–	177.52	549.60	727.12
Office Equipments	–	241.65	–	241.65	–	89.83	–	89.83	151.82	–
Others										
- Computers	–	21.47	–	21.47	–	0.28	–	0.28	21.19	–
Total	**47,237.31**	**2,241.67**	**–**	**49,478.98**	**–**	**1,298.04**	**–**	**1,298.04**	**48,180.94**	**47,237.31**

Note: The company has exercised the exemption available for Property, Plant and Equipment to measure the same at the carrying value as per previous GAAP on the date of transition i.e. Deemed Cost. The deemed cost has been calculated as under:

Deemed Cost at April 1, 2015

Particulars	Gross Block as per IGAAP	Accumulated Depreciation	Net Block as per IGAAP	Adjustment as per IND AS	Deemed Cost as per IND AS
	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015
Land					
- Freehold	11,356.81	–	11,356.81	–	11,356.81
Building					–
- Freehold	63,128.22	25,221.40	37,906.82	3,232.17	34,674.65
Plant and Equipments	1,124.43	645.70	478.73	–	478.73
Furniture and Fixtures	4,234.73	4,234.73	–	–	–
Vehicles	3,551.47	2,824.35	727.12	–	727.12
Total	**83,395.66**	**32,926.18**	**50,469.48**	**3,232.17**	**47,237.31**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.4 INVESTMENT PROPERTY

The following table shows changes in Investment property during the year ended 31st March, 2017

Particulars	Gross carrying amount				Accumulated Depreciation/amortisation				Net carrying amount	
	As at 01.04.2016	Additions	Disposal/ Adjustments	As at 31.03.2017	Upto 01.04.2016	For the Year	Adjustments During the Year	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land										
- Leasehold	293.24	–	–	293.24	4.42	4.42	–	8.84	284.40	288.82
- Freehold	3,088.24	–	–	3,088.24	–	–	–	–	3,088.24	3,088.24
Buildings										
- Freehold	22,452.71	–	–	22,452.71	363.72	363.72	–	727.44	21,725.27	22,088.99
Total	**25,834.19**	**–**	**–**	**25,834.19**	**368.14**	**368.14**	**–**	**736.28**	**25,097.91**	**25,466.05**

The following table shows changes in Investment property during the year ended 31st March, 2016

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	Deemed cost As at 1.04.2015 (Refer Note)	Additions	Sale/ Disposal/ Adjustments	As at 31.03.2016	Upto 01.04.2015	For the Year	Adjustments During the Year	Upto 31.03.2016	As at 31.03.2016	As at 01.04.2015
Land										
- Leasehold	293.24	–	–	293.24	–	4.42	–	4.42	288.82	293.24
- Freehold	3,088.24	–	–	3,088.24	–	–		–	3,088.24	3,088.24
Buildings										
- Freehold	22,452.71	–	–	22,452.71	–	363.72	–	363.72	22,088.99	22,452.71
Total	**25,834.19**	**–**	**–**	**25,834.19**	**–**	**368.14**	**–**	**368.14**	**25,466.05**	**25,834.19**

Note: The company has exercised the exemption available for investment property to measure the same at the carrying value as per previous GAAP on the date of transition i.e. Deemed Cost. The deemed cost has been calculated as under:

Deemed Cost at April 1, 2015

Particulars	Gross Block as per IGAAP	Accumulated depreciation/ amortisation as per IGAAP	Net Block as per IGAAP	Adjustment as per IND AS	Deemed Cost as per IND AS
	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015
Land					
-Leasehold	437.29	144.05	293.24	–	293.24
-Freehold	3,088.24	688.82	2,399.42	(688.82)	3,088.24
Building					
-Freehold	23,194.51	741.80	22,452.71	–	22,452.71
Total	**26,720.04**	**1,574.67**	**25,145.37**	**(688.82)**	**25,834.19**

Other disclosures as per IND AS 40 "Investment Property":

(i) Amount recognised in Statement of profit and loss for investment properties	Year Ended 31.03.2017	Year Ended 31.03.2016
Rental income	913.04	–
Direct operating expenses from property that generated rental income	–	–
Direct operating expenses from property that did not generate rental income	1,280.89	5,770.93

(ii) Contractual Obligations and restrictions

(a) The property situated at Mandideep, Madhya Pradesh having the gross carrying value of ₹ 293.24 thousand (Previous year ₹ 293.24 thousand) and net carrying value of ₹ 284.40 thousand (previous year ₹ 288.82 thousand) has been kept as security against the facility obtained by company in earlier years from Indian bank with which the legal dipute is going on as per Note No. 2.40

(b) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements, other than in the note (a) above

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

(iii) Leasing arrangements

One of the investment properties is leased under non-cancellable operating lease with rental payable monthly. Minimum future lease payments receivable under non - cancellable operating lease of investment property are as follows-

	Current year	Previous year
Within one year	1,565.22	–
later than one year but not later than 5 years	6,260.87	–
later than 5 years	38,086.96	–

(iv) Fair Value of investment property	As at 31-03-2017	As at 31-03-2016
Investment properties	206,539.40	201,377.95

Estimation of fair value

The company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of source including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by Shri Paramjeet Singh, accredited registered valuer holding the recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The main inputs used are the local enquiries and prevailing market trends adjusted for location, size, utility, condition and other factors having influence over the fair value. All resulting fair value estimates for investment properties are included in level 3.

NON-CURRENT ASSETS

2.5 INVESTMENTS IN SUBSIDIARY AND ASSOCIATES	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
I. Investments in Equity Instruments			
Investments at cost			
Subsidiary Company (Unquoted)			
Oswal Overseas Limited			
26,068 Equity Shares (31 March 2016: 9,03,198; 1 April 2015: 26,068) of AED 100/- each fully paid	15,346.61	1,545,646.61	15,346.61
Associate Company (Quoted)			
Oswal Greentech Limited			
9,13,84,203 Equity Shares (31 March 2016: 9,13,84,203; 1 April 2015: 9,13,84,203) of ₹ 10/- each fully paid	2,375,808.28	2,375,808.28	2,375,808.28
Associate Company (Unquoted)			
News Nation Networks Private Limited			
Nil Equity Shares (31 March 2016: 1,64,40,000; 1 April 2015: 1,64,40,000) of ₹ 10/- each fully paid	–	157,002.00	164,400.00
Total	**2,391,154.89**	**4,078,456.89**	**2,555,554.89**
Aggregate amount of quoted investments	2,375,808.28	2,375,808.28	2,375,808.28
Aggregate market value of quoted investments	2,426,250.59	1,946,483.52	1,987,606.42
Aggregate amount of un-quoted investments	15,346.61	1,710,046.61	179,746.61
Aggregate amount of impairment in value of investments	–	7,398.00	–

Details of investments in subsidiary and associates:

Name of investee and relationship	Place of business/country of incorporation	Ownership interest	Method of Accounting
Oswal Overseas Limited- Subsidiary	Dubai, UAE	100%	Measured at Cost
Oswal Greentech Limited- Associate	India	35.58%	Measured at Cost
News Nation Networks Private Limited- Associate*	India	22.84%	Measured at Cost

*Investment in associate sold on 24th August, 2016.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

FINANCIAL ASSETS

2.6	INVESTMENTS	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	I. Investments in Equity Instruments			
	(a) Investment at fair value through other comprehensive income (FVTOCI), (Unquoted)			
	Other Company			
	P C Media Systems Limited 1,44,51,500 Equity Shares (31 March 2016: 1,44,51,500; 1 April 2015: 1,20,36,500) of ₹ 10/- each, fully paid	143,069.85	143,069.85	119,161.35
	(b) Investment at fair value through profit or loss (FVTPL), (Unquoted)			
	Other Company			
	Superior Portfolio Private Limited Nil Equity Shares (31 March 2016: 1,910; 1 April 2015: 1,910) of ₹ 1000/- each, fully paid	–	9,549.90	11,926.29
	II. Investment in Debentures			
	(a) Investment at fair value through profit or loss (FVTPL), (Unquoted)			
	Infotel Business Solutions Limited Nil (31 March 2016: Nil; 1 April 2015: 1,00,00,000) 0% Optionally Convertible Debentures of ₹ 10/- each fully paid	–	–	100,000.00
	Total	**143,069.85**	**152,619.75**	**231,087.64**
	Aggregate amount and market value of quoted investments	–	–	–
	Aggregate amount of un-quoted investments	143,069.85	152,619.75	231,087.64
	Aggregate amount of impairment in value of investments	–	–	–

2.7	LOANS			
	(Unsecured, considered good)			
	Security deposits	669.80	821.34	1,601.09
	Other loans			
	-Inter-corporate deposits (ICD)	593,000.01	569,500.01	191,500.00
	Total	**593,669.81**	**570,321.35**	**193,101.09**

NON-FINANCIAL ASSETS

2.8	OTHER NON-CURRENT ASSETS			
	Income tax advances (net of tax liabilities)*	31,296.60	49,828.70	72,167.37
	Total	**31,296.60**	**49,828.70**	**72,167.37**

*Net of tax liabilities of ₹ Nil (March 31, 2016: ₹ 34,131.00 thousand; April 1, 2015: ₹ 73,038.00 thousand)

CURRENT ASSETS

2.9	INVENTORIES			
	(At lower of cost and net realisable value)			
	Work-in-progress			
	-Project at Chembur, Mumbai	648,885.17	647,616.37	183,495.20
	Stock-in-trade			
	-Equity Shares	–	–	23,908.50
	Total	**648,885.17**	**647,616.37**	**207,403.70**

FINANCIAL ASSETS

2.10	INVESTMENTS			
	Investments at fair value through profit or loss (FVTPL)			
	Investment in Mutual Funds (Unquoted)			
	3,96,583.87 Units (31 March 2016: Nil; 1 April 2015: 1,57,275.28) of LIC MF-liquid fund- Growth Plan	1,165,327.88	–	398,356.11
	Total	**1,165,327.88**	**–**	**398,356.11**
	(a) Aggregate amount and market value of quoted investments	–	–	–
	(b) Aggregate amount of unquoted investments	1,165,327.88	–	398,356.11
	(c) Aggregate amount of impairment in value of investments	–	–	–

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
2.11	**TRADE RECEIVABLES**			
	(Unsecured, considered good)			
	Trade receivables- sale of real estate	–	151,198.75	204,430.00
	Total	**–**	**151,198.75**	**204,430.00**
2.12	**CASH AND CASH EQUIVALENTS**			
	Balances with banks			
	-current account	109,411.71	4,866.29	4,461.27
	Cash on hand	109.81	49.97	2.26
	Cheques on hand	–	–	50,000.00
	Total	**109,521.52**	**4,916.26**	**54,463.53**
2.13	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**			
	Fixed Deposits with banks (For Margin Money)	37,925.32	37,896.14	38,278.88
	Less: Allowance for credit losses*	33,409.46	33,409.46	–
	Total	**4,515.86**	**4,486.68**	**38,278.88**
	*Allowance in respect of fixed deposits encashed by Indian Bank. Refer note 2.40			
2.14	**LOANS**			
	(Unsecured, considered good)			
	Other loans			
	- Inter corporate Deposit	442,000.00	2,000.00	730,000.00
	- Loan to employees	431.72	–	–
	Total	**442,431.72**	**2,000.00**	**730,000.00**
2.15	**OTHER FINANCIAL ASSETS**			
	Interest receivable	58,472.82	47,997.45	56,725.15
	Other receivables*	–	30.00	–
	Total	**58,472.82**	**48,027.45**	**56,725.15**
	* From related party			
NON-FINANCIAL ASSETS				
2.16	**CURRENT TAX ASSETS (NET)**			
	Income tax advance (net of tax liabilities)*	–	4,415.26	–
	Total	**–**	**4,415.26**	**–**
	*Net of tax liabilities of ₹ Nil (March 31, 2016: ₹ 38,907.00 thousand ; April 1, 2015: ₹ Nil)			
2.17	**OTHER CURRENT ASSETS**			
	Other advances	459.40	32.59	1,000,020.00
	Total	**459.40**	**32.59**	**1,000,020.00**
EQUITY AND LIABILITIES				
2.18	**SHARE CAPITAL**			
	Authorized:			
	30,00,00,000 (31 March 2016: 30,00,00,000, 1 April 2015: 30,00,00,000) Equity Shares of ₹ 10/- each	3,000,000.00	3,000,000.00	3,000,000.00
	1,00,00,000 (31 March 2016: 1,00,00,000, 1 April 2015: 100,00,000) Redeemable Preference Shares of ₹ 100/- each	1,000,000.00	1,000,000.00	1,000,000.00
	Total	**4,000,000.00**	**4,000,000.00**	**4,000,000.00**
	Issued , Subscribed and fully paid-up:			
	13,42,34,776 (31 March 2016: 13,42,34,776; 1 April 2015: 13,42,34,776) Equity Shares of ₹ 10/- each	1,342,347.76	1,342,347.76	1,342,347.76
	Total	**1,342,347.76**	**1,342,347.76**	**1,342,347.76**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(a) **The reconciliation of the number of equity shares outstanding is set out below:**

Particulars	No. of Shares	Amount
As at April 1, 2015	134,234,776	1,342,347.76
Add/(less): Issued/(redeemed) during the year	–	–
As at March 31, 2016	134,234,776	1,342,347.76
Add/(less): Issued/(redeemed) during the year	–	–
As at March 31, 2017	134,234,776	1,342,347.76

(b) **Number of shares held by each equity shareholder holding more than 5 percent of the issued share capital:**

Particulars	No. of shares	% of holding
As at April 1, 2015		
- Abhey Kumar Oswal	53,530,960	39.88%
As at March 31, 2016		
- Aruna Oswal*	56,026,460	41.74%
As at March 31, 2017		
- Aruna Oswal	56,026,460	41.74%

* On the demise of Shri Abhey Kumar Oswal on 29th March, 2016, 5,35,30,960 shares held by him vests to his nominee, Mrs. Aruna Oswal (wife). The transmission was registered on 16th April, 2016.

(c) **Right, preference and restrictions attached to equity shares:**
The Company has only one type of equity shares having par value of Rs. 10 each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The equity shareholders are entitled to dividend rights according to their paid up portion of the share capital. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2.19 OTHER EQUITY	As at 31.03.2017	As at 31.03.2016
(a) Reserve and Surplus		
Securities Premium Reserve		
Balance at the commencement of the year	4,464,882.64	4,464,882.64
Add: Additions/(Deletion) during the year	–	–
Balance at the end	**4,464,882.64**	**4,464,882.64**
Capital Reserve		
Balance at the commencement of the year	1,500.00	1,500.00
Add: Additions/(Deletion) during the year	–	–
Balance at the end	**1,500.00**	**1,500.00**
General Reserve		
Balance at the commencement of the year	318,976.09	318,976.09
Add: Additions/(Deletion) during the year	–	–
Balance at the end	**318,976.09**	**318,976.09**
Retained earnings		
Balance at the commencement of the year	(454,092.65)	(482,959.24)
Add: Profit/(loss) for the year	(82,036.61)	28,866.59
Balance at the end	**(536,129.26)**	**(454,092.65)**
(b) Other Components of Equity		
Remeasurement of net defined benefit plan		
Balance at the commencement of the year	(196.20)	–
Add: Additions/(Deletion) during the year	205.94	(196.20)
Balance at the end	**9.74**	**(196.20)**
Total (a+b)	**4,249,239.21**	**4,331,069.88**

NATURE AND PURPOSE OF COMPONENTS OF OTHER EQUITY:

Securities Premium Reserve
Securities premium reserve represents premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve
The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

General Reserve
This represents appropriation of profit by the Company. In the absence of any transfer to the General Reserve, there has been no movement in the General Reserve this year.

Retained Earnings
Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.

Remeasurement of net defined benefit plan
This represents the gain/(loss) on remeasurement of net defined benefit plan.

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

NON-CURRENT LIABILITIES

2.20 PROVISIONS	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Provisions for employee benefits	3,122.79	272.53	574.60
Total	**3,122.79**	**272.53**	**574.60**

2.21 DEFERRED TAX LIABILITIES (NET)

(a) Deferred tax (assets)/liabilities relate to the following:

Particulars			
Deferred Tax Liabilities			
Property, Plant and Equipment and Investment Property	7,646.07	9,088.16	10,051.41
Mutual Funds measured at FVTPL	1,201.60	–	–
	8,847.67	**9,088.16**	**10,051.41**
Deferred Tax Assets			
Employee benefits expense	(1,592.19)	(1,023.59)	(780.86)
Income tax losses	–	(1,319.97)	(9,270.55)
	(1,592.19)	**(2,343.56)**	**(10,051.41)**
Net Deferred Tax Liabilities recognised in Balance Sheet	**7,255.48**	**6,744.60**	**–**

(b) Movement in deferred tax liabilities/(assets):

Particulars	Property, Plant and Equipment and Investment Property	Employee benefits expense	Income Tax Losses	Mutual Funds measured at fair value through profit & Loss (FVTPL)	Total
Balance as at April 1, 2015	10,051.41	(780.86)	(9,270.55)	–	–
(Charged)/Credited to Profit or Loss	(963.25)	(242.73)	7,950.58	–	6,744.60
(Charged)/Credited to Other Comprehensive Income	–	–			–
Balance as at March 31, 2016	9,088.16	(1,023.59)	(1,319.97)	–	6,744.60
Balance as at April 1, 2016	9,088.16	(1,023.59)	(1,319.97)	–	6,744.60
(Charged)/Credited to Profit or Loss	(1,442.09)	(568.60)	1,319.97	1,201.60	510.88
(Charged)/Credited to Other Comprehensive Income		–			–
Balance as at March 31, 2017	7,646.07	(1,592.19)	–	1,201.60	7,255.48

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Accounting profit/(loss) before tax expense	(43,566.00)	55,784.39
Enacted tax rates in India	34.61%	34.61%
Taxed at India's statutory income tax rate	(15,077.32)	19,305.86
Effect of:		
Non deductible expense	55,914.92	17,122.91
Exempt non-operating income	(1,463.10)	–
Brought forwarded business losses under income tax utilised	(1,319.97)	(36,416.31)
Other incomes taxed at different rate	(94.80)	(12.46)
Tax expense due to Minimum Alternate Tax (MAT)	–	20,173.20
Income tax expense recognised in Statement of Profit and Loss	**37,959.73**	**20,173.20**

(d) The tax rates under Indian Income Tax Act, for financial year 2016-17 is 34.61% (Previous year 2015-16 is 34.61%)

(e) Unrecognised temporary differences

Particulars	As at 31.03.2017	As at 31.03.2016
i) The amount of deductible temporary differences on investments in equity shares for which no deferred tax asset is recognised	799,640.36	817,430.75
ii) The amount of unused long term capital losses as per Income Tax Act, 1961 on transfer of equity shares for which no deferred tax asset is recognised*	204,790.31	–
iii) The amount of deductible temporary differences on land on which no deferred tax asset is recognised	81,819.93	78,039.36
Potential tax benefit @ 23.07%	250,619.74	206,602.87

* The investments have been sold in F.Y 2016-17 (A.Y 2017-18) and are available for use till F.Y 2024-25 (A.Y 2025-26)

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

CURRENT LIABILITIES

FINANCIAL LIABILITIES

2.22 TRADE PAYABLES	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Trade payables- sale of real estate	–	85,623.75	154,306.77
Total	**–**	**85,623.75**	**154,306.77**

Based on the information available with the Company, there are no dues as at March 31, 2017, March 31, 2016 and April 1, 2015 payable to enterprises covered under "Micro, Small and Medium Enterprises Development Act, 2006". No interest is paid/payable by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

2.23 OTHER FINANCIAL LIABILITIES			
Creditors for expenses*	6,557.36	1,837.72	2,433.10
Employee benefits payable**	602.08	172.88	348.32
Total	**7,159.44**	**2,010.60**	**2,781.42**

* Includes payable to related party ₹ Nil (March 31, 2016: ₹ Nil; April 1, 2015 ₹ 842.52 thousand)

** Includes payable to related party ₹ 160.39 thousand (March 31, 2016: ₹ 65.25 thousand; April 1, 2015 ₹ 161.03 thousand)

NON-FINANCIAL LIABILITIES

2.24 OTHER CURRENT LIABILITIES			
Payable against litigations	15,337.96	–	–
Duties & taxes payable	696.50	319.78	274.69
Other payables*	10,097.25	10,097.37	10,097.32
Total	**26,131.71**	**10,417.15**	**10,372.01**

* includes amount payable to related party ₹ 10,097.25 thousand (31 March 2016: ₹ 10,097.25 thousand, 1 April, 2015 ₹ 10,097.25 thousand)

2.25 PROVISIONS			
Provisions for employee benefits	2,397.97	2,685.12	1,681.69
Total	**2,397.97**	**2,685.12**	**1,681.69**

2.26 CURRENT TAX LIABILITIES			
Income Tax*	22,926.57	6,395.65	–
Wealth Tax	–	–	196.12
Total	**22,926.57**	**6,395.65**	**196.12**

* Net of TDS and advance tax of ₹ 15,730.87 thousand (31 March 2016: ₹ 141,98.75 thousand, 1 April 2015: ₹ Nil)

2.27 REVENUE FROM OPERATIONS	Year ended 31.03.2017	Year ended 31.03.2016
Sale of products		
-Real Estate	155,001.00	151,198.75
Total	**155,001.00**	**151,198.75**

2.28 OTHER INCOME		
Interest income (including interest on income tax refund)	86,756.08	146,182.55
Foreign Exchange fluctuation gain (net)	66,095.80	–
Net gain on financial assets carried at FVTPL	10,018.98	6,354.07
Profit on disposal of investments measured at FVTPL	61.22	–
Rental Income	913.04	120.00
Provisions no longer required written back	79.54	40.15
Miscellaneous Income	3,965.51	164.67
Total	**167,890.17**	**152,861.44**

2.29 PURCHASES OF STOCK IN TRADE		
Purchase of Real Estate	154,189.33	150,123.76
Purchase for project at Chembur, Mumbai	1,268.80	404,050.45
Total	**155,458.13**	**554,174.21**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.30	CHANGES IN INVENTORIES OF STOCK IN TRADE AND WORK-IN-PROGRESS	Year ended 31.03.2017	Year ended 31.03.2016
	Opening		
	Equity Shares (Stock in trade)	–	23,908.50
	Project at Chembur, Mumbai (WIP)	647,616.37	183,495.20
	Less: Equity shares held transferred to investment	–	23,908.50
	Add: Addition in Project at Chembur, Mumbai	–	60,070.72
	Less : Closing		
	Equity Shares (Stock in trade)	–	–
	Project at Chembur, Mumbai (WIP)	648,885.17	647,616.37
	Net change	**(1,268.80)**	**(404,050.45)**

2.31	EMPLOYEE BENEFITS EXPENSE		
	Salaries and wages	5,999.93	5,672.83
	Contribution to provident and other funds	486.99	371.26
	Staff welfare expenses	1,108.11	1,020.52
	Total	**7,595.03**	**7,064.61**

	Current year	Previous year
1) Defined Contribution Plan:		
Contribution to Provident fund	409.85	328.85

2) Defined Benefit plan:

I. Gratuity

The Company operates an unfunded gratuity plan. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

a. The liability is determined based on actuarial valuation using the Projected Unit Credit Method as at the balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date.

c. Actuarial gains and losses are recognised immediately in other comprehensive income in Statement of profit and loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

The amounts recognized in the statement of Profit & Loss Account for the year and previous year are as follows:-

Particulars	Gratuity (Unfunded) Year ended 31.03.2017	Gratuity (Unfunded) Year ended 31.03.2016
Recognised in profit and loss		
Current service cost	238.46	122.87
Interest Cost	151.54	116.68
Total	**390.00**	**239.55**
Recognised in other comprehensive income		
Actuarial Gain/(Loss)	205.94	(196.20)
Total	**205.94**	**(196.20)**
Expected contribution in the next year	465.76	174.57
Assumptions		
Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)	
Retirement Age (years)	60	58
Ages		
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Discount Rate	7.30	8.00
Future Salary Increase	5.50	5.50

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Mortality Rates for specimen ages:

Age	Mortality Rate	Age	Mortality Rate	Age	Mortality Rate
15	0.000614	45	0.002874	75	0.039637
20	0.000888	50	0.004946	80	0.060558
25	0.000984	55	0.007888	85	0.091982
30	0.001056	60	0.011534	90	0.138895
35	0.001282	65	0.017009	95	0.208585
40	0.001803	70	0.025855	100	0.311628

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The following table sets out the status of the gratuity:

Particulars	Gratuity (Unfunded) Year ended 31.03.2017	Gratuity (Unfunded) Year ended 31.03.2016
Change in present benefit obligations		
Present value of obligation as at the beginning of the Year	1,894.20	1,458.45
Interest Cost	151.54	116.68
Acquisition adjustment	1,905.17	–
Current service cost	238.46	122.87
Benefits Paid	–	–
Actuarial (Gain)/Loss - Experience	(137.58)	196.20
Actuarial (Gain)/Loss - Demographic Assumptions	(90.67)	–
Actuarial (Gain)/Loss - Financial Assumptions	22.31	–
Present value of obligation as at the end of Year	**3,983.43**	**1,894.20**
Present value of obligation as at the end of Year- current	1,591.99	1,639.33 \
Present value of obligation as at the end of Year- non-current	2,391.44	254.87
Change in plan assets		
Fair value of plan assets at the beginning of the year	–	–
Actual return on plan assets	–	–
Employer contribution	–	–
Benefits paid	–	–
Fair value of plan assets at the end of the year	–	–
Balance Sheet and related analysis		
Present Value of the obligation at end	3,983.43	1,894.20
Fair value of plan assets	–	–
Unfunded Liability/provision in Balance Sheet	3,983.43	1,894.20
Unfunded liability recognized in Balance Sheet	3,983.43	1,894.20

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
Salary increase	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

Sensitivity Analysis

Particulars	31.03.2017	31.03.2016
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	3,983.43	1,894.20
a) Impact due to increase of 0.50%	(34.22)	(4.11)
b) Impact due to decrease of 0.50%	35.66	4.22
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	3,983.43	1,894.20
a) Impact due to increase of 0.50%	36.11	4.30
b) Impact due to decrease of 0.50%	(34.96)	(4.23)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation and life expectancy are not applicable being a lump sum benefit on retirement.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

Maturity profile of defined benefit obligation	31.03.2017
April 2017- March 2018	1,591.99
April 2018- March 2019	45.21
April 2019- March 2020	45.99
April 2020- March 2021	1,066.72
April 2021- March 2022	250.53
April 2022- March 2023	419.10
April 2023 onwards	563.89

2.32 FINANCE COST

	Year ended 31.03.2017	Year ended 31.03.2016
Interest others	993.82	602.54
Total	**993.82**	**602.54**

2.33 DEPRECIATION AND AMORTIZATION EXPENSE

Property, plant and equipment	1,478.14	1,298.04
Investment property	368.14	368.14
Total	**1,846.28**	**1,666.18**

2.34 OTHER EXPENSES

Rates and taxes	14,030.96	14,406.06
Consultation & Professional Fee	10,437.22	9,484.69
Postage & Telegram	2,711.03	3,263.94
Printing & Stationery	2,114.21	2,424.52
Rental Expense	759.00	429.26
Electricity Expenses	748.57	842.77
Listing Fees	520.98	494.38
Repairs & Maintenance:	–	–
-Building	431.83	1,080.49
-Others	1,315.28	4,134.24
Payment to Auditor:		
- Statutory Audit	3,222.75	1,143.50
- Other services	80.50	24.60
Legal claims	17,347.70	–
Impairment losses on investment in associates measured at cost	–	7,398.00
Net losses on financial assets measured at FVTPL	–	2,376.39
Other General Expenses	7,550.68	7,906.41
Total	**61,270.71**	**55,409.25**

2.35 EXCEPTIONAL ITEMS

Credit losses on financial assets measured at amortised cost	–	33,409.46
Loss on disposal of investment in associate measured at cost	140,562.00	–
Total	**140,562.00**	**33,409.46**

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

2.36 TAX EXPENSES

	Year ended 31.03.2017	Year ended 31.03.2016
-Income Tax*	37,959.73	20,173.20
-Deferred Tax	510.88	6,744.60
Total	**38,470.61**	**26,917.80**

*Minimum alternate tax in F.Y. 2015-16

2.37 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Opening equity shares (Nos.)	134,234,776	134,234,776
Equity shares issued during the year (Nos.)	–	–
Closing equity shares (Nos.)	134,234,776	134,234,776
Weighted average number of equity shares used as denominator for Basic/Diluted EPS (Nos.)	134,234,776	134,234,776
Net profit/(loss) after tax used as numerator for Basic/Diluted EPS (Amount in ₹ thousand)	(82,036.61)	28,866.59
Basic/Diluted earnings per Share (Amount in ₹)	(0.61)	0.22
Face value per equity share (Amount in ₹)	10	10

OTHER DISCLOSURES

2.38 DIRECTOR'S REMUNERATION

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Salary, allowances and perquisites	2,167.07	1844.35
Contribution to provident fund	137.23	131.83
Total	**2,304.30**	**1,976.18**

Note : Provision for gratuity and provision for leave encashment has been made for a company as a whole and separate figures applicable to an individual employee are not available and therefore have not been considered in the above figures.

2.39 DISCLOSURE UNDER IND AS -17 "LEASES":

The company has taken on lease office space under operating lease arrangements that are renewable on a periodic basis at the option of both the lessor and the lessee. The rent is subject to increase as per the prevalent market rates.

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Rent Paid during the year and recognised in Statement of Profit and Loss	759.00	429.26

2.40 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

	As at 31.03.2017	As at 31.03.2016
(a) Claims against the company not acknowledged as debts:		
- Demand raised by Indian Bank*	239,800.88	239,800.88
- Demand in respect of provident fund	–	5,467.52
- Other demand	12,893.34	12,893.34
(b) Other demands for which the company is contingently liable:		
-Sales Tax	19,275.97	19,275.97

*Indian Bank has before Debt Recovery Tribunal (DRT), along with notice under SARFAESI Act, 2002, raised a demand of ₹ 2,39,800.88 thousand (after appropriating the company's FDR of ₹ 33,409.46 thousand which has been fully provided for) along with interest. The dispute is on account of encashment of Bank Guarantee in 1986 by PNB, UK issued by it on behalf of the company which is pending before Debt Recovery Appellate Tribunal (DRAT). Company has been legally opined that the present action of Indian Bank is barred by limitation and based upon the facts, legally not maintainable and the company envisages no liability on this account. Also refer note no 2.4

2.41 RESTATEMENT OF PRIOR PERIOD ADJUSTMENTS

During the previous financial year i.e., F.Y. 2015-16, the company identified a prior year adjustment of Rs. 1,710.61 thousand in respect of property, plant and equipment and investment property and Rs. 2,770.88 thousand in respect of income tax for earlier years that required the restatement at April 01, 2015.

Summary

A summary of the combined impact on the balance sheet as at 1st April, 2015, arising from the above restatement is as follows:

Head of Balance sheet as at 1st April, 2015	As reported	(Increase)/ decrease due to restatement
Retained earnings	4,301,339.22	(1,060.27)
Property, plant and equipment	50,469.48	2,399.43
Investment property	25,145.37	(688.82)
Other non-current assets	69,396.49	(2,770.88)

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.42 RELATED PARTY DISCLOSURES

(A) Related parties and transactions with them as identified by the management are given below:

(a) **Subsidiary** – Oswal Overseas Limited

(b) **Associates** – Oswal Greentech Limited
– News Nations Networks Private Limited (upto 24th August, 2016)

(c) **Key Managerial Personnel** – Mr. B.N Gupta (CEO & Director)
– Mr. Praveen Chopra (CFO)

(d) **Other related parties** – Aruna Abhey Oswal Trust
– Oswal Woollen Mills Limited

(B) Transactions with Related Parties in the ordinary course of business and outstanding balances as at the end of the year

	Particulars	Description	Current year	Previous year
(a)	**Subsidiary**			
	Oswal Overseas Limited	**Transactions during the year**		
		Investment made	–	1,530,300.00
		Sale of Investment	1,530,300.00	–
		Balances outstanding at year end		
		Investment	15,346.61	1,545,646.61
(b)	**Associates**			
(i)	News Nations Networks Private Limited	**Transactions during the year**		
		Sale of Investment	157,002.00	–
		Balances outstanding at year end		
		Investment	–	157,002.00
		Impairment losses on investment in associate	–	7,398.00
(ii)	Oswal Greentech Limited	**Transactions during the year**		
		Office rental and maintenance paid	930.00	–
		Rental received	–	120.00
		Inventory Purchased	–	404,050.45
		Property, plant and equipment Purchased	–	2,241.67
		Project Balances Transferred	–	60,709.52
		Reimbursement of payments made by associate on behalf of the company	–	96.18
		Company's share of common expenses transferred from the associate	–	1,800.07
		Transfer of Employee benefit liability from the associate	1,928.32	–
		Advance given for purchase of land	607,500.00	–
		Advance received back	607,500.00	–
		Balances outstanding at year end		
		Rent Receivable	–	30.00
		Investment	2,375,808.28	2,375,808.28
(c)	**Key Management personnel**			
(i)	Shri B. N. Gupta	**Transactions during the year**		
		Managerial Remuneration	2,304.30	1,976.18
		Employee Loan given	–	160.60
		Employee Loan received back	–	160.60
		Balance outstanding at year end		
		Managerial Remuneration payable	97.14	–
(ii)	Shri Praveen Chopra	**Transactions during the year**		
		Salary and Other Benefits	1,200.81	1,139.49
		Balance outstanding at year end		
		Salary and Other Benefits Payable	63.25	65.25
(d)	**Other related parties**			
(i)	Aruna Abhey Oswal Trust	**Transactions during the year**		
		Rental Income	913.04	–
(ii)	Oswal Woollen Mills Limited	**Balances outstanding at year end**		
		Other liability	10,097.25	10,097.25

Note: Post employment benefits and other long term employee benefits in relation to Key Managerial Personnels have not been shown separately as these are determined on actuarial basis for the company as a whole.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.43 SEGMENT INFORMATION

For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:

- The real estate segment which comprise of activities in the real estate sector including development of real estate, trading of real estate assets etc.
- The investment segment comprise of extending in form of intercorporate deposits of the surplus funds, investment in equity instruments and other securities
- Unallocable segment comprise of activities which can not be allocated to any of the above two segments and none of the activities meet the quantitative thresholds to produce a reportable segment. The source of revenue comprise majorly of interest income on fixed deposits and miscellaneous income not allocable to reportable segments.

No operating segments have been aggregated to form the above reportable operating segments

S No.	Particulars	Current year	Previous year
(a)	**Segment Revenue (from external customers)**		
	Investment	158,150.86	147,924.98
	Real Estate	158,966.51	151,198.75
	Unallocable	5,773.80	4,936.46
	Total Segment Revenue	**322,891.17**	**304,060.19**
(b)	**Segment Result**		
	Profit/(Loss) before tax and interest from each segment		
	Investment	145,328.39	126,716.18
	Real Estate	(14,354.12)	(19,106.23)
	Unallocable	(32,984.45)	(17,813.56)
	Less : Finance cost	993.82	602.54
	Less : Exceptional Items	140,562.00	33,409.46
	Profit before Tax	(43,566.00)	55,784.39
	Less: Current Tax	37,959.73	20,173.20
	Less: Deferred Tax	510.88	6,744.60
	Profit after Tax	**(82,036.61)**	**28,866.59**
(c)	**Segment Assets**		
	Investment	4,926,432.56	4,879,857.08
	Real Estate	652,754.61	802,629.44
	Unallocable	81,393.76	105,080.52
	Total Assets	**5,660,580.93**	**5,787,567.04**
(d)	**Segment Liabilities**		
	Investment	4,689.93	972.51
	Real Estate	852.26	85,925.59
	Unallocable	63,451.77	27,251.30
	Total Liabilities	**68,993.96**	**114,149.40**
(e)	**Other Information**		
(i)	**Capital expenditure**		
	Investment	–	–
	Real Estate	–	2,241.67
	Unallocable	–	–
(ii)	**Interest revenue**		
	Investment	81,061.82	141,570.90
	Real Estate	–	–
	Unallocable	5,694.26	4,611.65
(iii)	**Depreciation**		
	Investment	368.14	449.77
	Real Estate	383.79	203.70
	Unallocable	1,094.36	1,012.72

Note 1: The company does not have any material operations outside India and hence disclosure of geographic segments is not given.

Note 2: Revenue from two customers exceeded 10% of the company's revenue viz. ₹ 1,55,001.00 thousand (previous year ₹ 1,51,198.75 thousand) arising from sale of real estate under real estate segment and ₹ 57,200.00 thousand (previous year ₹ 94,251.78 thousand) arising from interest on inter-corporate deposits under investment segment.

Note 3: The interest expense and tax expense has not been disclosed by segment as the same is not allocable to any reportable segment.

Note 4: The company has incurred loss on sale of investment of ₹ 1,40,562.00 thousand (Previous year Nil) under investment segment.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.44 Details of Loans Given, Investments Made and Guarantee Given covered u/s 186(4) of the Companies Act, 2013

I. Particulars of Loans given are as under:

Borrower Company	As at 31.03.2017	As at 31.03.2016
Minerals Management Services (India) Private Limited	2,000.00	2,000.00
Segue Enterprise Private Limited	43,000.01	59,500.01
Jagran Developers Private Limited	440,000.00	440,000.00
Maxrich Global stocks Private Limited	–	70,000.00
Zurich Securities Private Limited	190,000.00	–
Malaysia Securities Private Limited	360,000.00	–
Total	**1,035,000.01**	**571,500.01**

All the above loans has been given for business purposes.

II. Particulars of investment made are given in Note no. 2.5, 2.6 and 2.10

III. The company has not given any guarantee or security in connection with a loan to any other body corporate or person.

2.45 Details of Foreign Currency Exposures that are not hedged by a Derivative Instrument or otherwise are given as below:

Particulars	Denomination	Foreign Currency* (In Foreign currency Denomination)	Amount *
Investment in Equity Shares	Arab Emirates Dhiram (AED)	2,606,800 (90,319,800)	32,308.65 (1,562,608.65)

* Previous year figures are given in bracket

2.46 FINANCIAL INSTRUMENTS

The carrying value and fair value of financial instruments by categories as at March 31, 2017 and March 31, 2016 are as follows:

Particulars	As at 31.03.2017		As at 31.03.2016	
	Carrying value	Fair value	Carrying value	Fair value
FINANCIAL ASSETS				
At fair value through other comprehensive income (FVTOCI)				
Non Current				
Investments	143,069.85	143,069.85	143,069.85	143,069.85
At fair value through profit or loss (FVTPL)				
Non Current				
Investments	–	–	9,549.90	9,549.90
Current				
Investments	1,165,327.88	1,165,327.88	–	–
At amortised cost				
Non Current				
i) Loans	593,669.81	593,669.81	570,321.35	570,321.35
Current				
i) Trade receivables	–	–	151,198.75	151,198.75
ii) Cash and cash equivalents	109,521.52	109,521.52	4,916.26	4,916.26
iii) Bank balances other than (ii) above	4,515.86	4,515.86	4,486.68	4,486.68
iv) Loans	442,431.72	442,431.72	2,000.00	2,000.00
v) Other financial assets	58,472.82	58,472.82	48,027.45	48,027.45
Total Financial Assets	**2,517,009.46**	**2,517,009.46**	**933,570.24**	**933,570.24**
FINANCIAL LIABILITIES				
At amortised cost				
Current				
(i) Trade payables	–	–	85,623.75	85,623.75
(ii) Other financial liabilities	7,159.44	7,159.44	2,010.60	2,010.60
Total Financial Liabilities	**7,159.44**	**7,159.44**	**87,634.35**	**87,634.35**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that fair value of trade receivables, cash and cash equivalents and other bank balances, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. In respect of loans, the fair value equals the carrying value as the risk management mechanism established by the company indicates that no credit losses in the value of these loans.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Details of assets pledged as collateral/security

The carrying amount of financial assets as at 31st March, 2017 and 2016 that the company has provided as collateral for obtaining borrowings and other facilities from the bankers as follows:

Particulars	As at 31.03.2017	As at 31.03.2016
Gross carrying amount of Investment Property	293.24	293.24

2.47 FAIR VALUE HIERARCHY

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at 31st March, 2017 and 31st March, 2016.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March, 2017 and 31st March 2016:

Particulars	Financial assets measured at FVTPL		Financial assets measured at FVTOCI	Assets for which fair value is disclosed
	Investment in equity instruments	Investment in Mutual funds	Investment in equity instruments	Investment properties
Carrying Value as at 31st March, 2017	–	1,165,327.88	143,069.85	25,097.91
Fair valuation as at 31st March, 2017				
Level 3	–	–	143,069.85	206,539.40
Level 2	–	–	–	–
Level 1	–	1,165,327.88	–	–
Carrying Value as at 31st March, 2016	9,549.90	–	143,069.85	25,466.05
Fair valuation as at 31st March, 2016				
Level 3	9,549.90	–	143,069.85	201,377.95
Level 2	–	–	–	–

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended on 31st March, 2017 or on 31st March 2016.

A one percent point change in the unobservable inputs used in fair valuation of level 3 assets and liabilities does not have a significant impact in its value.

The fair value of investments in mutual fund is determined on the basis of NAV of mutual fund declared on the last day of the financial year. The fair value of the equity instruments measured at FVTPL/FVTOCI and fair value of investment property disclosed in financial statements is determined based on the valuation report from an independent valuer. The determination of the valuation by the valuer is based on level 3 inputs like discounted cash flows, net assets value etc.

Impact in statement of profit and loss:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Opening balance of investments valued using level 3 inputs	152,619.75	231,087.64
Add/(less): Fair value changes for the year recognised in profit or loss recognised in other income/(other expenses)	–	(2,376.39)
Add/(less): Transfer from/(to) inventory of investments	–	23,908.50
Add/(less): Purchase/(Sales)	(9,549.90)	(100,000.00)
Closing balance	**143,069.85**	**152,619.75**

2.48 FINANCIAL RISK MANAGEMENT

The Company's principal financial assets include investment in equity instruments and mutual funds, Inter-corporate deposits, trade receivables, other receivables and cash & bank balances.

The Company's principal financial liabilities comprise trade payables and other financial liabilities. These other liabilities mainly comprise of creditors for expenses and employee benefits payable.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

The Company's activities expose it to credit risk and liquidity risk. The company is not exposed to any market risk, neither in form of interest rate risk as the debt instruments issued by the company (i.e. intercorporate deposits) bear a fixed rate of interest as per the inter-corporate deposit agreements nor any foreign exchange risk. The different types of risk the company is exposed to are as follows:

(i) Credit risk

Credit risk is the risk that customer or counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's significant credit risk concentration is in its trade receivables and loans given [i.e. intercorporate deposits (ICD)] and interest receivable thereon aggregating to ₹ 10,93,409.73 thousand as at March 31, 2017 (₹ 7,70,589.40 thousand as at March 31, 2016). The objective of managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the ICD parties on regular basis by analysing their default pattern, reviewing annual financial performance and creditworthiness as evident from their financial statements. The company regularly assesses the increase in risk of default since initial recognition. The company considers a default of more than 6 months as an indicator for increased risk of default requiring the assessment of expected credit losses and resulting impairment, if any. The company uses a provision matrix to compute the expected credit losses (ECL) for trade receivables. The provision matrix takes into account internal and external credit risk factors and the company's historical experience for customers.

However, as at the date of balance sheet all parties were regular in meeting their contractual obligations and none of the financial assets are credit impaired. Credit risk on cash & cash equivalents and other bank balances is limited as the company holds these deposits with scheduled banks with high credit ratings.

Investments are primarily in equity instruments of companies. The management regularly values the investments from independent professional valuers to determine any impairment in the value of investments. Further, the company invests on short term basis in mutual funds having high credit rating from domestic credit rating agencies.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment recognised represents the maximum credit exposure. The maximum credit exposure as at 31.03.2017 and as at 31.03.2016 is as follows:

Particulars	As at 31.03.2017	As at 31.03.2016
Investments (Non current and current)	1,308,397.73	152,619.75
Loans (Non current and current)	1,036,101.53	572,321.35
Trade receivables	–	151,198.75
Cash and cash equivalents	109,521.52	4,916.26
Bank Balances other cash and cash equivalents	4,515.86	4,486.68
Others financial assets	58,472.82	48,027.45
Total	**2,517,009.46**	**933,570.24**

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The company does not have any significant financial liability as at March 31, 2017 or March 31, 2016 and Company has enough liquid funds in the form of cash and cash equivalents to meet its financial obligations as and when they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

As at March 31 2017, the company had a working capital of ₹ 23,70,998.68 thousand (Previous year ₹ 7,55,561.09 thousand). Further, the company has substantial pool of highly liquid financial assets like cash & cash equivalents, trade receivables and short term investments in mutual funds aggregating to ₹ 12,74,849.40 thousand (Previous year ₹ 1,56,115.01 thousand) as against the total current liabilities of ₹ 58,615.69 thousand (Previous year ₹ 1,07,132.27 thousand) which clearly establishes the strong liquidity position of the company.

The maturity analysis of the financial liabilities of the company as at 31.03.2017 is given as below:

Particulars	As at 31.03.2017		
	Less than 1 Year	1-2 Years	2 Years and above
Trade payables	–	–	–
Other financial liabilities	7,159.44	–	–
Total	7,159.44	–	–

The maturity analysis of the financial liabilities of the company as at 31.03.2016 is given as below:

Particulars	As at 31.03.2016		
	Less than 1 Year	1-2 Years	2 Years and above
Trade payables	85,623.75	–	–
Other financial liabilities	2,010.60	–	–
Total	87,634.35	–	–

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.49 FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2017 have been prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheets at 1st April, 2015 and 31st March, 2016.

(a) EXCEPTIONS TO RETROSPECTIVE APPLICATION OF OTHER IND AS (IND AS 101)

i) Estimates: An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The Company has not made any changes to estimates made in accordance with previous GAAP.

ii) Ind AS 109- Financial Instruments (Derecognition of previously recognised financial assets/financial liabilities): As per Ind AS 101, an entity shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Company has applied the derecognition requirement prospectively.

iii) Ind AS 109- Financial Instruments (Classification and measurement of financial assets): As per Ind AS 101, classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

iv) Ind AS 109- Financial Instruments (Impairment of financial assets): As per Ind AS 101, impairment requirements under Ind AS 109 should be applied retrospectively based on the reasonable and supportable information that is available on transition date without undue cost or effort. The Company has applied impairment requirements retrospectively.

(b) EXEMPTIONS FROM OTHER IND ASs (IND AS 101)

i) Deemed Cost for property, plant and equipment and investment property: Ind AS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition. This exemption can also be used for investment property covered by Ind AS 40, Investment Properties. Accordingly, the company has elected to measure all of its property, plant and equipment and investment properties at their previous GAAP carrying amount.

ii) Deemed cost for investment in subsidiaries and associates: As per Ind AS 101, an entity is required to account for its investments in subsidiaries, associates and joint ventures either

a) at cost; or

b) in accordance with Ind AS 109."Such cost in (a) above shall be cost as per Ind AS 27 or deemed cost. The deemed cost of such an investment shall be its fair value on the date of transition to Ind AS or previous GAAP carrying amount at the date. The company has elected to measure its investment in subsidiaries and associates (except those measured at FVTPL) at deemed cost as determined in accordance with Ind AS 27 i.e. previous GAAP carrying amount of investment in subsidiaries/Associates as at 1st April, 2015.

iii) IND AS 109 Financial Instruments:

An entity may designate an investment in an equity instrument as at fair value through other comprehensive income (FVTOCI) in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Company has designated unquoted equity instruments in companies other than subsidiaries at FVTOCI, based on the assessment made on the date of transition to Ind AS.

(c) EQUITY RECONCILIATION AS PER THE REQUIREMENTS OF IND AS 101

The following reconciliations provide the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

I. Equity as at 1st April, 2015 and as at 31st March, 2016

II. Total comprehensive income for the year ended 31st March, 2016

III. Reconciliation of other equity as at 1st April, 2015 and 31st March, 2016

IV. Footnotes

(d) RECONCILIATION OF STATEMENT OF CASH FLOW

There are no material adjustments to the statement of cash flows as reported under previous GAAP.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

I.A. Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS):

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
Non-current assets				
(a) Property, Plant and Equipment	1	50,469.48	(3,232.17)	47,237.31
(b) Investment Property	1	25,145.37	688.82	25,834.19
(c) Investment in subsidiaries and associates		2,555,554.89	–	2,555,554.89
(d) Financial Assets				
(i) Investments	2	226,323.85	4,763.79	231,087.64
(ii) Loans		193,101.09	–	193,101.09
(e) Other non-current assets	1	69,396.49	2,770.88	72,167.37
		3,119,991.17	**4,991.32**	**3,124,982.49**
Current assets				
(a) Inventories		207,403.70	–	207,403.70
(b) Financial Assets	-			
(i) Investments	2	396,064.72	2,291.39	398,356.11
(ii) Trade Receivables		204,430.00	–	204,430.00
(iii) Cash and cash equivalents		54,463.53	–	54,463.53
(iv) Bank Balances other than cash and cash equivalents		38,278.88	–	38,278.88
(v) Loans		730,000.00	–	730,000.00
(vi) Other financial assets		56,725.15	–	56,725.15
(c) Other current assets		1,000,020.00		1,000,020.00
		2,687,385.98	**2,291.39**	**2,689,677.37**
Total Assets		**5,807,377.15**	**7,282.71**	**5,814,659.86**
Equity				
(a) Equity Share capital		1,342,347.76	–	1,342,347.76
(b) Other equity	III	4,295,116.78	7,282.71	4,302,399.49
		5,637,464.54	**7,282.71**	**5,644,747.25**
Liabilities				
Non-current liabilities				
(a) Provisions		574.60	–	574.60
		574.60	**–**	**574.60**
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables		154,306.77	–	154,306.77
(ii) Other financial liabilities		2,781.42	–	2,781.42
(b) Other current liabilities		10,372.01	–	10,372.01
(c) Provisions		1,681.69	–	1,681.69
(d) Current Tax Liabilities (net)		196.12	–	196.12
		169,338.01	**–**	**169,338.01**
Total Equity & Liabilities		**5,807,377.15**	**7,282.71**	**5,814,659.86**

I.B. Reconciliation of equity as at 31st March, 2016:

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
Non-current assets				
(a) Property, Plant and Equipment		48,180.94	–	48,180.94
(b) Investment Property		25,466.05	–	25,466.05
(c) Investment in subsidiaries and associates	2	4,085,854.89	(7,398.00)	4,078,456.89
(d) Financial Assets				
(i) Investments	2	150,232.35	2,387.40	152,619.75
(ii) Loans		570,321.35	–	570,321.35
(e) Other non-current assets		49,828.70	–	49,828.70
		4,929,884.28	**(5,010.60)**	**4,924,873.68**
Current assets				
(a) Inventories		647,616.37	–	647,616.37
(b) Financial Assets				
(i) Trade Receivables		151,198.75	–	151,198.75
(ii) Cash and cash equivalents		4,916.26	–	4,916.26
(iii) Bank Balances other than cash and cash equivalents		4,486.68	–	4,486.68
(iv) Loans		2,000.00	–	2,000.00
(v) Other financial assets		48,027.45	–	48,027.45
(c) Current tax assets (net)		4,415.26	–	4,415.26
(d) Other current assets		32.59	–	32.59
		862,693.36	**–**	**862,693.36**
Total Assets		**5,792,577.64**	**(5,010.60)**	**5,787,567.04**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
Equity				
(a) Equity Share capital		1,342,347.76	–	1,342,347.76
(b) Other equity	III	4,336,080.48	(5,010.60)	4,331,069.88
		5,678,428.24	**(5,010.60)**	**5,673,417.64**
Liabilities				
Non-current liabilities				
(a) Provisions		272.53	–	272.53
(b) Deferred Tax Liabilities (net)		6,744.60	–	6,744.60
		7,017.13	**–**	**7,017.13**
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables		85,623.75	–	85,623.75
(ii) Other financial liabilities		2,010.60	–	2,010.60
(b) Other current liabilities		10,417.15	–	10,417.15
(c) Provisions		2,685.12	–	2,685.12
(d) Current Tax Liabilities (net)		6,395.65	–	6,395.65
		107,132.27	**–**	**107,132.27**
Total Equity & Liabilities		**5,792,577.64**	**(5,010.60)**	**5,787,567.04**

II Reconciliation of total comprehensive income as previously reported under IGAAP to Ind AS for the year ended 31st March 2016:

Particulars	Amount
Net profit/(loss) after tax under IGAAP	40,963.70
Adjustments:	
Fair value adjustment relating to investment in mutual funds and equity shares at FVTPL	(4,667.78)
Impairment loss on investment in associate	(7,398.00)
Restatement of prior period adjustment	2,543.35
Restatement in income tax for earlier year taxes	(2,770.88)
Net profit/(loss) after tax under Ind AS	28,670.39

III. Reconciliation of equity as from Previous GAAP and to IND AS is stated as under:

Particulars	Footnote No.	As at 01.04.2015	As at 31.03.2016
Equity as per IGAAP		4,295,116.78	4,336,080.48
Adjustments:			
In relation to property plant & equipment and investment property	1	(2,543.35)	–
Impairment allowance for investment in associate	2	–	(7,398.00)
Fair value adjustment relating to investment in mutual funds and equity shares at FVTPL	2	7,055.18	2,387.40
Changes due to income tax for earlier years restated	1	2,770.88	–
Equity as per IND AS		**4,302,399.49**	**4,331,069.88**

Footnotes:

1 **Property Plant and Equipment:** During the F.Y. 2015-16, the company identified a prior year adjustment in respect of property, plant and equipment and investment property that required the restatement as at April 01, 2015 in accordance with Ind AS. Hence, the resultant impact of (-) ₹ 3,232.17 thousand in respect of property, plant & equipment and ₹ 688.82 thousand in respect of investment property has been incorporated as on the date of transition.

Further, income tax for earlier year of ₹ 2,770.88 thousand as reflected in IGAAP financials has been restated in accordance with Ind AS as on the date of transition resulting in increase in other non current assets.

2 Investments:	Investment in subsidiary and associates		Investments (financial assets)	
	Non-current	Current	Non-current	Current
Amount as per IGAAP as at 1st April, 2015	2,555,554.89	–	226,323.85	396,064.72
Fair value adjustment relating to investment at FVTPL as at 1st April, 2015	–	–	4,763.79	2,291.39
Restated amount as per Ind AS as at 1st April, 2015	**2,555,554.89**	**–**	**231,087.64**	**398,356.11**
Amount as per IGAAP as at 31st March, 2016	4,085,854.89	–	150,232.35	–
Impairment allowance for investment in associate	(7,398.00)	–	–	–
Fair value adjustment relating to investment at FVTPL as at 31st March, 2016	–	–	2,387.40	–
Amount as per Ind AS as at 31st March, 2016	**4,078,456.89**	**–**	**152,619.75**	**–**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.50 DISCLOSURE ON SPECIFIED BANK NOTES

During the year the company had specified bank notes ('SBNs') or other denomination notes as defined in the MCA notification, G.S.R. 308 (E) 30th March, 2017. The details of the SBNs held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification are as follows:

(Amount in ₹)

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016 as certified by management	31,000	56	31,056
(+) Permitted receipts	–	–	–
(–) Permitted payments	–	–	–
(–) Amount deposited in Banks	31,000	–	31,000
(+) Amount withdrawn from Banks	–	150,000	150,000
Closing cash in hand as on 30.12.2016	**–**	**150,056**	**150,056**

*"Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th Novermber, 2016 i.e. series of the value of five hundred rupees and one thousand rupees existing on 8th November, 2016 that ceased to be legal tender as on that date.

2.51 INFORMATION (PURSUANT TO IND AS-37) - BRIEF PARTICULARS OF PROVISION ON DISPUTED LIABILITIES:

Nature of Liability	Provident Fund
Particulars of Dispute	Demand for contribution to fund
Opening Provision	–
Provision made during the year	15,337.96
Provision reduced during the year	–
Closing Provision	**15,337.96**

Notes:

i) The case is pending before the apex court and will be paid on the basis of the final judgement.

ii) Provision is made herein as a measure of abundant precaution.

iii) Remote risk possibility of cash outflows is presumed pertaining to contingent liabilities as listed in note no. 2.40

2.52 OTHER NOTES

(i) **Capital management:** The company has only equity capital as the only source of capital and has no funds raised in form of borrowings. The company aims at utilising the capital in the most optimum manner. Hence the comprehensive disclosures required by Ind AS 1, in respect of capital management are not required by the company.

(ii) Average Net profit for the three immediately preceding financial years, as per Section 198 of the Companies Act, 2013("Act") is nil. Accordingly, company was not required to spend any amount on CSR activities as per Section 135 of the Act in the current and previous year.

(iii) As per the internal assessment of the company, there is no non financial asset requiring allowance for impairment in compliance of IND AS 36 on "Impairment of Assets" other than already provided for, if any.

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

OSWAL OVERSEAS LIMITED

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of the Company for the financial year ended 31st March, 2017.

1. **PERFORMANCE OF THE COMPANY & FUTURE OUTLOOK**
   The Company is in the process of voluntary winding up.
2. **DIRECTORS**
   The Directors of the Company in office at the date of this report are Mrs. Aruna Oswal and Shri Anil Kumar Bhalla.
3. **AUDITORS' REPORT**
   The Auditors' Report to the shareholders does not contain any qualifications. The notes to the accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments of Directors.
4. **DISCLOSURE PARTICULARS**
   The Company being registered outside India, the disclosures required to be made in accordance with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not relevant. Hence the same has not been furnished.
5. **PARTICULARS OF EMPLOYEES**
   There are no employees covered by the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.
6. **DIRECTORS' RESPONSIBILITY STATEMENT**
   The Board of Directors of the Company confirm:
   i. That in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure.
   ii. That the selected Accounting Policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and the preoperative expenses of the Company for the year ended on that date;
   iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
   iv. That the annual accounts have been prepared on a going concern basis.
7. **AUDITORS**
   The auditors, M/s KSI Shah & Associates, Dubai, UAE have expressed their willingness to accept re-appointment.

For and on behalf of the Board
Anil Kumar Bhalla
Director

Place : New Delhi
Date : May 26, 2017

Independent Auditors' Report to the Shareholder of OSWAL OVERSEAS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **OSWAL OVERSEAS LIMITED**, which comprises of the statement of financial position as of 31 March 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting policies applied, following generally accepted accounting standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstance.

Auditors' responsibility

Our audit included such test of the accounting records and such other auditing procedures, as we considered necessary in the circumstances. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of OSWAL OVERSEAS LIMITED as of 31 March 2017 and its income statement for the year then ended in conformity with accounting principles applied.

For KSI Shah & Associates
Chartered Accountants
Dubai, U.A.E.
Signed by:
Sonal P. Shah (Registration No. 123)
May 20, 2017

OSWAL OVERSEAS LIMITED

Statement of Financial Position At 31 March 2017 **(₹ in thousand)**

	Notes	2017	2016
ASSETS			
Current assets			
Other receivables		535.63	595.21
Advances to suppliers		17506.43	1601607.87
Bank balance in a current account		4406.43	4591.36
TOTAL ASSETS		**22448.49**	**1606794.44**
EQUITY AND LIABILITIES			
Equity			
Share capital	3	46035.41	1632452.67
Accumulated (losses)		(23659.86)	(25732.85)
Equity funds		**22375.55**	**1606719.82**
Current liabilities			
Accruals		**72.94**	**74.62**
TOTAL EQUITY AND LIABILTIES		**22448.49**	**1606794.44**

The accompanying notes 1 to 5 form an integral part of these financial statements.
The Independent Auditors' Report is approved by the shareholder on May 20, 2017 and signed on its behalf by:

For Oswal Overseas Limited
Director

Statement of Comprehensive Income for the year ended 31 March 2017

(₹ in thousand)

	Notes	2017	2016
Administrative expenses		**(1777.21)**	**(3541.00)**
Other income		239.49	2,226.00
Net (loss) for the year		**(1537.72)**	**(1315.00)**

The accompanying notes 1 to 5 form an integral part of these financial statements.

For Oswal Overseas Limited
Director

Notes to the Financial Statements for the year ended 31 March 2017

1. **Legal status and business activity**
   a) **OSWAL OVERSEAS LIMITED** is an offshore Company with limited liability registered on 24 July 2006 under the provision of Offshore Companies regulations of Jebel Ali Free Zone of 2003.
   b) The Company is established to carry out business of general trading and investment activities. The Company has not generated any revenue as it has not carried out any commercial activities during the year.
2. **Significant accounting policies**
   The financial statements are prepared under the historical cost convention and the significant accounting policies adopted are as follows:
   a) **Trade and other receivables:**
   Trade receivables are carried at the original invoice amount to the customers.
   Provision is made for doubtful receivables. Bad debts are written off as they arise.
   b) **Payables and accruals:**
   Liabilities are recognized for amounts to be paid for goods or services received whether or not invoiced to the Company.
   c) **Foreign currency transactions:**
   Transactions in foreign currencies are converted into US Dollar at the rate of exchange ruling on the date of the transaction.
   Assets and liabilities expressed in foreign currencies are translated into US Dollar at the rate of exchange ruling at the balance sheet date.
   Resulting exchange gains/losses are taken to the statement of comprehensive income.
   d) **Cash and cash equivalents**
   Cash and cash equivalents for the purpose of the cash flow statement comprise cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

	2017	**2016**
	(₹ in thousand)	
3. Share capital		
Subscribed, Issued and Paid up		
Shares 26068 (previous year 903198)		
@ AED 100/- each		
*(US $ 1 @ AED 3.67)	**46035.41**	**1632452.67**

* The share certificate is issued in the name of '**M/s Oswal Agro Mills Limited'** the sole shareholder of the Company. During the year, share capital of the Company has decreased to ₹ 46035.41 thousand (previous year: ₹ 1632452.67 thousand)

4. **Contingent liability**
   There was no contingent liability of a significant amount outstanding as at the reporting date.
5. **Comparative figures**
   Previous year's figures have been regrouped/reclassified wherever necessary to conform to the presentation adopted in the current year.

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Oswal Agro Mills Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of Oswal Agro Mills Limited ('the Company'), its subsidiary and associates (the Company, its subsidiary and associates together referred to as 'the Group'), comprising the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, and the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the Consolidated Ind AS financial statements')

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act.

The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matter' below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary company and associate company referred to in the 'Other Matter' below, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the group as at 31st March, 2017, and their Consolidated total comprehensive income (including other comprehensive income), Consolidated changes in equity and Consolidated cash flows for the year ended on that date.

Other matters

We did not audit the separate financial statement of a subsidiary company, whose financial statements as on 31st March, 2017 reflect total assets of ₹ 22,448.49 thousand (Previous year ₹ 16,06,794.44 thousands), total revenues of ₹ 1,777.21 thousand (Previous year ₹ Nil) and net cash flows amounting to (–) ₹ 184.93 thousand (Previous year ₹ 1,948.28 thousand) for the year ended on that date as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of loss of ₹ Nil (Previous year ₹ Nil) for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of one associate, whose separate financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiary company and the associate, referred in the 'Other Matter" paragraph above, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS Financial Statements.

   (b) In our opinion, proper books of account as required by law relating to the preparation of aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including the Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated Ind AS financial statements.

   (d) In our opinion, the Consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, as applicable.

   (e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2017 taken on record by the Board of Directors of the Holding company and reports of the statutory auditors of the associate companies (incorporated in India), none of the directors of the group companies, incorporated in India, is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the group- Refer Note 2.40 to the consolidated Ind AS financial Statements.

      ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and associates incorporated in India.

      iv. The Company has provided requisite disclosures in the Consolidated Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016, of the group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by those entities for the purpose of preparation of the consolidated Ind AS financial Statements and as produced to us by the Managements of the respective group entities- refer note 2.50 of consolidated Ind AS financial statements.

For **T R Chadha & Co LLP**
Chartered Accountants
(Firm Registration No -006711N/ N500028)

Surender Kumar
(Partner)
Membership No. 082982

Place : New Delhi
Dated : 26th May, 2017

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in our report of even date to the members of Oswal Agro Mills Limited on the consolidated Ind AS financial statements for the year ended 31st March, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Oswal Agro Mills Limited ("the Company") excluding subsidiary company incorporated outside India and its associates which are companies incorporated in India (the company and its associates together referred to as "Group") as of 31st March, 2017 in conjunction with our audit of the Consolidated Ind AS financial statements of the group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial control over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in terms of its report referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its associates, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate company being a company incorporated in India, is based on the corresponding report of the auditor of such company.

For **T R Chadha & Co LLP**
Chartered Accountants
(Firm Registration No -006711N/ N500028)

Surender Kumar
(Partner)
Membership No. 082982

Place : New Delhi
Dated : 26th May, 2017

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017

(₹ in thousand)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015 *(Restated)*
I. ASSETS				
(1) Non–current assets				
(a) Property, Plant and Equipment	2.3	46,677.50	48,180.94	47,237.31
(b) Investment Property	2.4	25,097.91	25,466.05	25,834.19
(c) Investments accounted for using the equity method	2.5	3,593,118.67	3,378,875.53	3,367,958.66
(d) Financial Assets				
(i) Investments	2.6	143,069.85	152,619.75	231,087.64
(ii) Loans	2.7	593,669.81	570,321.35	193,101.09
(e) Other non–current assets	2.8	31,296.60	49,828.70	72,167.37
		4,432,930.34	**4,225,292.32**	**3,937,386.26**
(2) Current assets				
(a) Inventories	2.9	648,885.17	647,616.37	207,403.70
(b) Financial Assets				
(i) Investments	2.10	1,165,327.88	–	398,356.11
(ii) Trade Receivables	2.11	–	151,198.75	204,430.00
(iii) Cash and cash equivalents	2.12	113,927.95	9,507.62	57,106.61
(iv) Bank Balances other than cash and cash equivalents	2.13	4,515.86	4,486.68	38,278.88
(v) Loans	2.14	442,431.72	2,000.00	730,000.00
(vi) Others financial assets	2.15	59,008.45	48,622.66	74,393.09
(c) Current tax assets (net)	2.16	–	4,415.26	–
(d) Other current assets	2.17	17,965.82	1,601,640.47	1,000,020.00
		2,452,062.85	**2,469,487.81**	**2,709,988.39**
Total Assets		**6,884,993.19**	**6,694,780.13**	**6,647,374.65**
II EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share capital	2.18	1,342,347.76	1,342,347.76	1,342,347.76
(b) Other equity	2.19	5,473,578.55	5,238,208.36	5,135,043.89
		6,815,926.31	6,580,556.12	6,477,391.65
Liabilities				
(2) Non–current liabilities				
(a) Provisions	2.20	3,122.79	272.53	574.60
(b) Deferred Tax Liabilities (net)	2.21	7,255.48	6,744.60	–
		10,378.27	**7,017.13**	**574.60**
(3) Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	2.22	–	85,623.75	154,306.77
(ii) Other financial liabilities	2.23	7,232.36	2,085.21	2,851.81
(b) Other current liabilities	2.24	26,131.71	10,417.15	10,372.01
(c) Provisions	2.25	2,397.97	2,685.12	1,681.69
(d) Current Tax Liabilities (net)	2.26	22,926.57	6,395.65	196.12
		58,688.61	107,206.88	169,408.40
Total Equity and Liabilities		**6,884,993.19**	**6,694,780.13**	**6,647,374.65**
III SIGNIFICANT ACCOUNTING POLICIES	2.1 & 2.2			

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of holding company
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in thousand)

	Particulars	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
I	Revenue from operations	2.27	155,001.00	151,198.75
II	Other income	2.28	186,107.38	152,861.44
III	**Total Income (I+II)**		**341,108.38**	**304,060.19**
IV	**Expenses:**			
	Purchases of stock–in–trade	2.29	155,458.13	554,174.21
	Changes in inventories of stock in trade and work–in–progress	2.30	(1,268.80)	(404,050.45)
	Employee benefits expense	2.31	7,595.03	7,064.61
	Finance costs	2.32	993.82	602.54
	Depreciation and amortization expense	2.33	1,846.28	1,666.18
	Other expenses	2.34	61,510.21	48,097.43
	Total expenses (IV)		**226,134.67**	**207,554.52**
V	**Profit before exceptional item and tax (III – IV)**		**114,973.71**	**96,505.67**
VI	Exceptional item	2.35	–	33,409.46
VII	**Profit before tax (V–VI)**		**114,973.71**	**63,096.21**
VIII	**Tax expense:**	2.36		
	–Current tax		37,959.73	20,173.20
	–Deferred tax		510.88	6,744.60
IX	**Profit for the year after tax but before share of net profits of investments accounted for using equity method (VII–VIII)**		**76,503.10**	**36,178.41**
X	Share of net profit of associates accounted for using the equity method		234,452.19	130,055.04
XI	**Profit for the year after tax (IX+X)**		**310,955.29**	**166,233.45**
XII	**Other Comprehensive Income**			
	A. Items that will be reclassified to profit or loss			
	Exchange differences gain/(loss) on translation of foreign operations		(55,581.99)	56,265.39
	Share of other comprehensive income/(loss) of associate accounted for using equity method		(21.95)	(4,050.97)
	Income tax relating to these items		–	–
	B. Items that will not be reclassified to profit or loss			
	Net gain/(loss) on remeasurement of defined benfits plan		205.94	(196.20)
	Share of other comprehensive income/(loss) of associate accounted for using equity method		(20,187.10)	(115,087.20)
	Income tax relating to these items		–	–
	Total other comprehensive Income/(loss)		**(75,585.10)**	**(63,068.98)**
XIII	**Total Comprehensive income for the period (XI+XII)**		**235,370.19**	**103,164.47**
XIV	**Profit/ (Loss) for the period attributable to:**			
	-Owners of the Company		310,955.29	166,233.45
	-Non–controlling interests		–	–
XV	**Other comprehensive income for the period attributable to**			
	-Owners of the Company		(75,585.10)	(63,068.98)
	-Non–controlling interests		–	–
XVI	**Total comprehensive income for the period attributable to**			
	-Owners of the Company		235,370.19	103,164.47
	-Non–controlling interests		–	–
XVII	**Earnings per equity share (Face Value of ₹ 10/– each)**			
	Basic/Diluted	2.37	2.32	1.24
XVIII	**SIGNIFICANT ACCOUNTING POLICIES**	2.1 & 2.2		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of holding company
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in thousand)

	Particulars		Year Ended 31.03.2017		Year Ended 31.03.2016
I.	**CASH FLOWS FROM OPERATING ACTIVITIES**				
	Profit before tax		114,973.71		63,096.21
	-Non–cash exceptional items	–		33,409.46	
	-Depreciation and amortization expense	1,846.28		1,666.18	
	-Finance costs	993.82		602.54	
	-Interest income on financial assets at amortised cost at EIR	(86,756.08)		(146,182.55)	
	-Profit on disposal of investments measured at FVTPL	(61.22)		–	
	-Net gain on financial assets carried at FVTPL	(10,018.98)		(6,354.07)	
	-Net losses on financial assets measured at FVTPL	–		2,376.39	
	-Foreign Exchange fluctuation gain (net)	(66,095.80)		–	
	-Rental Income on investment property	(913.04)		(120.00)	
	-Property, plant and equipment written off	25.30		–	
	-Sundry Balances written off	363.16		1,418.56	
	-Profit on sale of investment in associate	(16,440.00)		–	
	-Provisions no longer required written back	(79.54)		40.15	
	-Provision for Gratuity & Leave Encashment	2,532.44	(174,603.66)	324.66	(112,818.68)
	Operating profit before working capital changes and tax		**(59,629.95)**		**(49,722.47)**
	Adjustments for changes in working capital:				
	-(Increase)/Decrease in inventories	(1,268.79)		(464,121.16)	
	-(Increase)/Decrease in trade receivables and other current assets	1,734,510.24		(549,807.78)	
	-(Increase)/Decrease in current and non–current financial assets	(190.61)		17,822.49	
	-Increase/(Decrease) in trade payables and other current liabilities	(69,829.66)		(68,678.06)	
	-Increase/(Decrease) in other current financial liabilities	5,147.15	1,668,368.33	(766.60)	(1,065,551.11)
	Cash generated from operations before tax		**1,608,738.38**		**(1,115,273.58)**
	-Wealth Tax Paid	–		(196.12)	
	-Income Taxes (Payment) / Refund	1,518.56	1,518.56	4,145.86	3,949.74
	Net cash from/(used in) operating activities		**1,610,256.94**		**(1,111,323.84)**
II.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	-Purchase of property, plant and equipment	–		(2,241.67)	
	-(Purchase)/Sale of investments in subsidiary and associate	82,535.80		–	
	-(Purchase)/Sale of other investments	9,611.12		100,000.00	
	-Purchase of current investments	(2,084,500.00)		(1,078,000.00)	
	-Sale of current investments	929,191.10		1,482,710.18	
	-Extending of intercorporate loans	(660,000.00)		(435,500.01)	
	-Repayment of intercorporate loans	196,500.00		785,500.00	
	-Movement in Fixed Deposits	(29.18)		382.74	
	-Rental Income on investment property received	913.04		120.00	
	-Interest Received	76,280.71	(1,449,497.41)	154,910.25	1,007,881.49
	Net cash from (used in) investing activities		**(1,449,497.41)**		**1,007,881.49**
III.	**CASH FLOWS FROM FINANCING ACTIVITIES**				
	Movement in foreign currency translation reserve	(55,581.99)		56,265.39	
	Interest Paid	(757.21)	(56,339.20)	(422.03)	55,843.36
	Net cash generated from/(used in) financing activities		**(56,339.20)**		**55,843.36**
	Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)		**104,420.33**		**(47,598.99)**
	Cash and cash equivalents at the beginning of the year		9,507.62		57,106.61
	Cash and cash equivalents at the end of the year		**113,927.95**		**9,507.62**
IV.	**Components of Cash and cash equivalents (Refer Note 2.10)**				
	Balances with banks				
	-in Current Account		113,818.14		9,457.65
	Cash in hand		109.81		49.97
	Cash and cash equivalents as per IND AS 7		**113,927.95**		**9,507.62**
V.	**Significant accounting policies and notes forms an integral part of consolidated financial statement**				

Notes :

1. The above Consolidated Cash flow statement has been prepared under the indirect method set out in Ind AS-7 notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
2. Figures in brackets indicate cash outgo.
3. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of holding company
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹ thousand unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	As at 31.03.2017	As at 31.03.2016
Balance at the beginning of the year	1,342,347.76	1,342,347.76
-Issued/(redeemption) of equity shares	–	–
Balance at the end of the year	**1,342,347.76**	**1,342,347.76**

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other comprehensive income			Total
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Foreign currency translation reserve	Equity Instruments through OCI	Remeasurement of defined benefit plan	
Balance as at April 1, 2015	4,464,882.64	1,500.00	318,976.09	349,685.16	–	–	–	5,135,043.89
Profit/(loss) for the year	–	–	–	166,233.45	–	–	–	166,233.45
Other Comprehensive income for the year	–	–	–		52,214.42	(114,155.01)	(1,128.39)	(63,068.98)
Balance as at 31st March, 2016	**4,464,882.64**	**1,500.00**	**318,976.09**	**515,918.61**	**52,214.42**	**(114,155.01)**	**(1,128.39)**	**5,238,208.36**
Profit/(loss) for the year	–	–	–	310,955.29	–	–	–	310,955.29
Other Comprehensive income for the year	–	–	–	–	(55,603.94)	(19,857.68)	(123.48)	(75,585.10)
Balance as at 31st March, 2017	**4,464,882.64**	**1,500.00**	**318,976.09**	**826,873.90**	**(3,389.52)**	**(134,012.69)**	**(1,251.87)**	**5,473,578.55**

Significant accounting policies and notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of holding company
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹ thousand unless otherwise stated)

1.A. COMPANY OVERVIEW

Oswal Agro Mills Limited (holding company) is a listed company incorporated and domiciled in India and has its principal place of business at 7th Floor, Antriksh Bhawan, Kasturba Gandhi Marg, Connaught Place, New Delhi-110001. The holding company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The principal business of the holding company is trading of residential/commercial flats/plot of lands and development of residential townships. Further, the holding company also lends its surplus funds as interest bearing inter-corporate deposits. The consolidated financial statements are approved for issue by the holding company's board of directors on May 26, 2017. The group comprises of the subsidiary which is established to carry out the business of trading of commodities and general investment activities. Further, the group consists of 2 associate companies dealing in media business and real estate business. However, one of the company ceased to be an associate as on 31st March, 2017.

1.B. PRINCIPALS OF CONSOLIDATION AND EQUITY ACCOUNTING

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and presentation of consolidated financial statements

(a) Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared and presented on a going concern basis under the historical cost convention (except those revalued), on the accrual basis of accounting and comply with the Indian Accounting Standards prescribed by Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India, guidelines issued by Securities and exchange board of India (SEBI) and the relevant provisions of the Companies Act, 2013/Companies Act, 1956, as adopted consistently by the group.

(b) Statement of compliance with Ind ASs

The consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules notified till date of consolidated financial statements, to the extent applicable.

For year ended 31st March 2016, the group prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 i.e. Indian GAAP. These consolidated financial statements for the year ended 31st March 2017 are the first that Company has prepared in accordance with Ind AS along with the comparative figures for the year ended 31st March 2016. Some of the group's Ind AS accounting policies used in the opening balance sheet are different from its previous GAAP policies applied as at 31st March, 2015, and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

adjustments arose from the events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognised directly through retained earnings as at 1st April, 2015. This is the effect of the general rule of Ind AS 101 which is to apply Ind AS retrospectively.

(c) Basis of Measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis except for the defined benefit and other long-term employee benefits obligations and Investments measured at fair value through profit and loss (FVTPL)/ fair value through other comprehensive income (FVTOCI) that have been measured at fair value as required by relevant Ind AS.

(d) Use of Estimates and Judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

i) **Income taxes:** The holding company's tax jurisdiction is India. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii) **Provisions and Contigencies:** The assessments undertaken in recognishing the provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Assets'. The evaluation of the likelihood of the contingent events has required best judgement by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could after.

iii) **Post Employment benefit plan:** Employee benefits obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase and the inflation rate. The company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv) **Other estimates:** The preparation of consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the group estimates the probability of collection of accounts receivable by analysing historical payment patterns etc.

(e) Functional and Presentation Currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (₹), which is the holding company's functional and presentation currency. The financial figures in the consolidated financial statements have been rounded off to ₹ thousand upto two decimals unless otherwise specified.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Instruments

i) Financial Assets

Financial assets comprise investments in equity and debt instruments, mutual funds, security deposits, inter-corporate deposits, trade receivables, Cash and cash equivalents and other eligible assets.

Initial recognition and measurement:

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Subsequent Measurement:

-Financial Assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These financial assets are subsequently carried at amortized cost using the effective interest method, less any impairment loss. The EIR amortisation is recognised as finance income in the Statement of Profit and Loss.

Assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents and other eligible current and non-current financial assets.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

- Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets held within a business model whose objective is achieved by both collecting the contractual cash flows and selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payment towards principal and interest (SPPI) on principal outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognised in other comprehensive income. However, the group recognises interest income, impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model.

-Equity instruments other than investment in associates: The management determines at the initial recognition of investments in Equity instruments whether to measure it at FVTPL or FVTOCI. However, the equity instruments held for trading are always classified at fair value through Profit or Loss (FVTPL). The classification of investments at FVTOCI is irrevocable. Fair value changes on equity instruments at FVTOCI, excluding dividends, are recognised in other comprehensive income (OCI).

-Financial assets at fair value through Profit or Loss (FVTPL): Financial assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. Fair value changes are recognised in Statement of Profit and Loss.

Derecognition of financial assets:

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or the financial asset is transferred and the transfer qualified for derecognition. On derecognition of financial asset in its entirety the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in Statement of Profit and Loss.

Impairment of financial assets:

Trade receivables, contract assets, receivables under Ind AS 109, investments in debt instruments that are carried at amortised cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses (ECL) for the respective financial asset. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. The approach followed by the group for recognising the impairment loss is given below:

i) Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. the group estimates the following provision matrix at the reporting date:

Period past due	Default rate
0 to 6 months	0%
6 to 12 months	5%
more than 12 months	10%
doubtful receivables	100%

ii) Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is sued. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

ii) Financial liabilities:

Financial liabilities comprise trade payables and other eligible liabilities.

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value. Any transaction costs that are attributable to the acquisition of the financial liabilities (except financial liabilities at fair value through profit or loss) are deducted from the fair value of financial liabilities.

Subsequent measurement

i) Financial liabilities at amortised cost: the group has classified the following under amortised cost:

a) Trade payables

b) Other eligible financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the cumulative amortisation using the effective interest rate (EIR) method of any difference between that initial amount and the maturity amount.

- Financial liabilities at fair value through profit or loss (FVTPL): Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. the group has not designated any financial liability as at fair value through profit and loss.

Derecognition of financial liabilities

A financial liability shall be derecognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

iii) Off setting of financial assets and financial liabilities:

Financial assets and liabilities are offset and the net amount is presented in the consolidated balance sheet when, and only when, the group has a legal enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

iv) Reclassification of financial assets

The group determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated at FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the group's operations. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of immediately next reporting period following the change in business model. the group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

B. Inventories

Inventories are valued as under:

-Land and plots other than area transferred to construction work-in-progress of constructed properties are valued at lower of cost or net realisable value. Cost includes land acquisition cost and land development cost. Cost of land and plots is determined on specific identification basis.

-Construction work-in-progress of constructed properties include the cost of land, internal development costs, external development charges, construction costs, overheads, borrowing cost, development/construction materials and is valued at lower of cost/estimate cost and net realisable value.

-Trading of real estate- the cost includes purchase and other costs in bringing the inventory in their present location and condition. Cost is determined specific identification basis.

C. Property, Plant and Equipment

Property, Plant and Equipment is carried at cost less accumulated depreciation and accumulated impairment losses. The cost comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Cost of self constructed asset include the cost of material, direct labour and any other costs directly attributable to bringing the asset to its working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognised net within "Other income/ Other expenses" in the Statement of Profit and Loss.

The cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

Subsequent costs

The cost of replacing part of an item of Property, Plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation

Depreciation on property, plant & equipment other than in relation to Chembur project is provided pro-rata to the period of use, on the Straight Line Method rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

Depreciation on tangible assets in relation to Project at Chembur is provided on the Written Down Value method rates worked out based on the useful life and in the manner prescribed in the Schedule II to the Companies Act, 2013.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful life (Years)
Buildings	60
Furniture & Fixture	10
Plant & Machinery	15
Office Equipment	5
Computer	3
Vehicles	8

The group follows component approach as envisaged in Schedule II to the Companies Act, 2013. The approach involves identification of components of the asset whose cost is significant to the total cost of the asset and have useful life different from the useful life of the remaining assets and in respect of such identified components, useful life is determined separately from the useful life of the main asset.

Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term.

Depreciation on additions is provided on a pro-rata basis from the month of acquisition/installation. Depreciation on sale/deduction from property, plant & equipment is provided for up to the date of sale/adjustment, as the case may be.

Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

The depreciation method, useful lives and residual value are reviewed at each of the reporting date.

D. Intangible assets

Intangible asset are carried at cost of acquisition less amortisation. The cost of an item of intangible assets comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Amortisation of Intangible assets

Intangible assets are amortised on straight line method on pro-rata basis over a period of three years.

E. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The group depreciates building component of investment property over 60 years from the date of original purchase as per the requirement of Schedule II of the Companies Act, 2013. The leasehold investment properties are amortised over the term of the lease.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

F. Foreign currency transactions and balances

Transactions in foreign currencies are initially recognised in the consolidated financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non- monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non- monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognised in the Statement of Profit and Loss for determination of net profit or loss during the period.

G. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the group determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the group capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

H. Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

I. Deposits provided to lessor

The group is generally required to pay refundable security deposits in order to obtain property leases from various lessor. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight line basis over the lease term as lease rental expense.

J. Revenue

Revenue from the sale of Flat/Plots is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Interest income is recognized as it accrues in Statement of Profit and Loss using the effective interest method.

Profit on trading of mutual fund units is recognised only on redemption of units.

K. Impairment of non-financial assets

The carrying amount of the group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from the continuing use that are largely independent of cash inflows of other assets or group of assets (the cash generating unit).

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment losses are recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or group of units on a pro rata basis.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

L. Earnings per share (EPS)

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

M. Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash on hand, cash at banks, demand deposits, short-term deposits with balance maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at banks, demand deposits, short-term deposits with an balance maturity of three months or less and other short term investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

N. Employee Benefits

i) Short Term Benefits

Employee benefits (other than post employment benefits) which fall due wholly within twelve months after the end of the year in which the employees render the related service are recognized at the amount expected to be paid for it.

ii) Post Employment Benefits

The group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The group has the following post employment benefit plans:

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the group. The group's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

iii) Other long term employee benefits

Leave Encashment

The employees of the group are entitled to leave encashment. The employees can carry forward a portion of the unutilised accumulating leaves and utilise it in future periods or receive cash at retirement or termination of employment. The group records an obligation for leave encashment in the period in which the employee renders the services that increases this entitlement. The group measures the expected cost of leave encashment as the additional amount that the group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The group recognizes accumulated leave encashment based on actuarial valuation. Non-accumulating leave encashment are recognized in the period in which the absences occur. The group recognizes actuarial gains and losses immediately in the statement of profit and loss.

O. Provisions & Contingencies

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognised when the group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect current management estimates. Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. When there is a possible obligation or present obligation where the likelihood of an outflow is remote, no disclosure or provision is made.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

P. Income Taxes

Income tax comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax

Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.3 PROPERTY, PLANT AND EQUIPMENT

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2017

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 01.04.2016	Additions	Disposal/ Adjustments	As at 31.03.2017	Upto 01.04.2016	For the Year	Adjustments During the Year	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land										
-Freehold	11,356.81	–	–	11,356.81	–	–	–	–	11,356.81	11,356.81
Buildings										
-Freehold	34,674.65	–	–	34,674.65	871.55	871.55	–	1,743.10	32,931.55	33,803.10
Plant & Equipment	2,317.25	–	483.87	1,833.38	146.14	376.39	458.57	63.96	1,769.42	2,171.11
Furniture & Fixtures	140.03	–	–	140.03	12.72	36.72	–	49.44	90.59	127.31
Vehicles	727.12	–	–	727.12	177.52	177.52	–	355.04	372.08	549.60
Office Equipment	241.65	–	–	241.65	89.83	15.96	–	105.79	135.86	151.82
Others										
-Computer	21.47	–	–	21.47	0.28	–	–	0.28	21.19	21.19
Total	**49,478.98**	**–**	**483.87**	**48,995.11**	**1,298.04**	**1,478.14**	**458.57**	**2,317.61**	**46,677.50**	**48,180.94**

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2016

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	Deemed cost As at 1.04.2015 (Refer Note)	Additions	Sale/ Disposal/ Adjustments	As at 31.03.2016	Upto 01.04.2015	For the Year	Adjustments During the Year	Upto 31.03.2016	As at 31.03.2016	As at 01.04.2015
Land										
-Freehold	11,356.81	–	–	11,356.81	–	–		–	11,356.81	11,356.81
Buildings										
-Freehold	34,674.65			34,674.65	–	871.55		871.55	33,803.10	34,674.65
Plant & Equipment	478.73	1,838.52	–	2,317.25	–	146.14	–	146.14	2,171.11	478.73
Furniture & Fixtures	–	140.03	–	140.03	–	12.72	–	12.72	127.31	–
Vehicles	727.12			727.12	–	177.52	–	177.52	549.60	727.12
Office Equipment	–	241.65	–	241.65	–	89.83	–	89.83	151.82	–
Others										
–Computer	–	21.47	–	21.47	–	0.28	–	0.28	21.19	–
Total	**47,237.31**	**2,241.67**	**–**	**49,478.98**	**–**	**1,298.04**	**–**	**1,298.04**	**48,180.94**	**47,237.31**

Note: The group has exercised the exemption available for Property, Plant and Equipment to measure the same at the carrying value as per previous GAAP on the date of transition i.e. Deemed Cost. The deemed cost has been calculated as under:

Deemed Cost at April 1, 2015

Particulars	Gross Block as per IGAAP	Accumulated Depreciation	Net Block as per IGAAP	Adjustment as per IND AS	Deemed Cost as per IND AS
	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015
Land					
-Freehold	11,356.81	–	11,356.81	–	11,356.81
Building					
-Freehold	63,128.22	25,221.40	37,906.82	3,232.17	34,674.65
Plant and Equipment	1,124.43	645.70	478.73	–	478.73
Furniture and Fixtures	4,234.73	4,234.73	–	–	–
Vehicles	3,551.47	2,824.35	727.12	–	727.12
Total	**83,395.66**	**32,926.18**	**50,469.48**	**3,232.17**	**47,237.31**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.4 INVESTMENT PROPERTY

The following table shows changes in Investment property during the year ended 31st March, 2017

Particulars	Gross carrying amount				Accumulated Depreciation/amortisation				Net carrying amount	
	As at 01.04.2016	Additions	Disposal/ Adjustments	As at 31.03.2017	Upto 01.04.2016	For the Year	Adjustments During the Year	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land										
–Leasehold	293.24	–	–	293.24	4.42	4.42	–	8.84	284.40	288.82
–Freehold	3,088.24	–	–	3,088.24	–	–	–	–	3,088.24	3,088.24
Buildings										
–Freehold	22,452.71	–	–	22,452.71	363.72	363.72	–	727.44	21,725.27	22,088.99
Total	**25,834.19**	**–**	**–**	**25,834.19**	**368.14**	**368.14**	**–**	**736.28**	**25,097.91**	**25,466.05**

The following table shows changes in Investment property during the year ended 31st March, 2016

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	Deemed cost As at 1.04.2015 (Refer Note)	Additions	Sale/ Disposal/ Adjustments	As at 31.03.2016	Upto 01.04.2015	For the Year	Adjustments During the Year	Upto 31.03.2016	As at 31.03.2016	As at 01.04.2015
Land										
–Leasehold	293.24	–	–	293.24	–	4.42	–	4.42	288.82	293.24
–Freehold	3,088.24	–	–	3,088.24	–	–		–	3,088.24	3,088.24
Buildings										
–Freehold	22,452.71	–	–	22,452.71	–	363.72	–	363.72	22,088.99	22,452.71
Total	**25,834.19**	**–**	**–**	**25,834.19**	**–**	**368.14**	**–**	**368.14**	**25,466.05**	**25,834.19**

Note: The group has exercised the exemption available for investment property to measure the same at the carrying value as per previous GAAP on the date of transition i.e. Deemed Cost. The deemed cost has been calculated as under:

Deemed Cost at April 1, 2015

Particulars	Gross Block as per IGAAP	Accumulated depreciation/ amortisation as per IGAAP	Net Block as per IGAAP	Adjustment as per IND AS	Deemed Cost as per IND AS
	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015	As at April 1, 2015
Land					
-Leasehold	437.29	144.05	293.24	–	293.24
-Freehold	3,088.24	688.82	2,399.42	(688.82)	3,088.24
Building					
-Freehold	23,194.51	741.80	22,452.71	–	22,452.71
Total	**26,720.04**	**1,574.67**	**25,145.37**	**(688.82)**	**25,834.19**

Other Notes as per IND AS 40 "Investment Property":

(i) Amount recognised in Consolidated Statement of profit and loss for investment properties	Year ended 31.03.2017	Year ended 31.03.2016
Rental income	913.04	–
Direct operating expenses from property that generated rental income	–	–
Direct operating expenses from property that did not generate rental income	1,280.89	5,770.93

(ii) Contractual Obligations and restrictions

(a) The property situated at Mandideep, Madhya Pradesh having the gross carrying value of ₹ 293.24 thousand (Previous year ₹ 293.24 thousand) and net carrying value of ₹ 284.40 thousand (previous year ₹ 288.82 thousand) has been kept as security against the facility obtained by holding company in earlier years from Indian bank with which the legal dipute is going on as per Note No. 2.40

(b) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements, other than in the note (a) above

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(iii) Leasing arrangements

One of the investment properties is leased under non-cancellable operating lease with rental payable monthly. Minimum future lease payments receivable under non - cancellable operating lease of investment property are as follows-

	Current year	Previous year
Within one year	1,565.22	–
later than one year but not later than 5 years	6,260.87	–
later than 5 years	38,086.96	–

(iv) Fair Value of investment property	**As at 31-03-2017**	**As at 31-03-2016**
Investment properties	206,539.40	201,377.95

Estimation of fair value

The group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the group considers information from a variety of source including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by Shri Paramjeet Singh, accredited registered valuer holding the recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The main inputs used are the local enquiries and prevailing market trends adjusted for location, size, utility, condition and other factors having influence over the fair value. All resulting fair value estimates for investment properties are included in level 3.

NON-CURRENT ASSETS

2.5 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(a) Subsidiary

The group comprise of only one subsidiary. It has share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interest held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Subsidary	Principal place of business/country of incorporation	Ownership Interest held by the group	Ownership Interest held by non-controlling interest	Principal activities
Oswal Overseas Limited	Dubai, UAE	100%	0%	Trading of commodities

(b) Interest in associates

Name of entity	Principal place of business	Ownership interest held by the group	Accouting method
Oswal Greentech Limited[1]	India	35.58%	Equity Method
News Nation Networks Private Limited[2]	India	22.84%*	Equity Method

* Entire investment in associate sold on 24th August, 2016

[1] The company engages primarily in real estate business. It is a strategic investment and may collaborate with the group's knowledge in real estate

[2] The company operates in media industry and operates multiple news channels. The investment was a strategic investment to have enabled the group to diversify into the field of media. However, the group has now exited from the business as a management change of strategy.

(c) Investments accounted for using the equity method

Name of Entity	Carrying amount			Quoted fair value		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Oswal Greentech Limited	3,593,118.67	3,378,875.53	3,367,958.66	2,426,250.59	1,946,483.52	1,987,606.42
News Nation Networks Private Limited	–	–	–	NA*	–	–
Total	**3,593,118.67**	**3,378,875.53**	**3,367,958.66**			

*Unlisted entity- no quoted price available

Aggregate amount of quoted investments	3,593,118.67	3,378,875.53	3,367,958.66
Aggregate market value of quoted investments	2,426,250.59	1,946,483.52	1,987,606.42
Aggregate amount of un-quoted investments	–	–	–
Aggregate amount of impairment in value of investments	–	–	–

NOTES (Contd...)

(Amount in ₹ thousand unless otherwise stated)

(d) Summarised financial information for associates

The table below provides summarised financial information for associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates.

Summarised balance sheet	Oswal Greentech Limited			News Nation Networks Private Limited		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
Current Assets	16,299,952.49	14,311,052.09	16,227,437.92	NA*	897,831.10	845,078.98
Non Current Assets	6,355,670.96	7,777,521.97	5,797,330.02		2,074,105.58	2,040,182.39
Current Liabilities	383,813.24	422,741.87	392,029.71		323,490.12	1,813,438.19
Non Current Liabilities	18,647.24	14,738.27	12,321.77		2,098,839.75	1,258,095.54
Preference Share Capital	–	–	–		1,200,000.00	–
Net Assets (Total Assets minus total liabilities)	22,253,162.97	21,651,093.92	21,620,416.46		(650,393.19)	(186,272.36)
Revenue	1,050,260.17	4,612,085.79	NA		732,332.73	NA
Profit/(loss) after tax	658,860.81	365,481.58	NA		(464,038.83)	NA
Other Comprehensive income	(56,791.76)	(334,804.12)	NA		(82.00)	NA
Total Comprehensive income	602,069.05	30,677.46	NA		(464,120.83)	NA

*The company is no more an associate as on 31st March, 2017, hence the disclosure is not required.

(e) Reconciliation of the carrying amounts of the investment in associate accounted for using the equity method:

Particulars	Oswal Greentech Limited		News Nation Networks Private Limited	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Opening net assets	21,651,093.92	21,620,416.46	NA	(186,272.36)
Profit for the year	658,860.81	365,481.58		(464,038.83)
Other comprehensive income	(56,791.76)	(334,804.12)		(82.00)
Closing net assets	22,253,162.97	21,651,093.92		(650,393.19)
Group's share in %	35.58%	35.58%		22.84%
Group's share in ₹ lacs	7,918,672.26	7,704,429.12		(148,568.76)
Less: proportion of pre-acquisition net worth	4,325,553.59	4,325,553.59		–
Carrying amount of investment	3,593,118.67	3,378,875.53		–

FINANCIAL ASSETS

2.6 INVESTMENTS	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
I. Investments in Equity Instruments			
(a) Investment at fair value through other comprehensive income (FVTOCI), (Unquoted)			
Other Company			
P C Media Systems Limited			
1,44,51,500 Equity Shares (31 March 2016: 1,44,51,500; 1 April 2015: 1,20,36,500) of ₹ 10/- each fully paid	143,069.85	143,069.85	119,161.35
(b) Investment at fair value through profit or loss (FVTPL), (Unquoted)			
Other Company			
Superior Portfolio Private Limited			
Nil Equity Shares (31 March 2016: 1,910; 1 April 2015: 1,910) of ₹ 1,000/- each, fully paid	–	9,549.90	11,926.29
II. Investment in Debentures			
(a) Investment at fair value through profit or loss (FVTPL), (Unquoted)			
Infotel Business Solutions Limited			
Nil (31 March 2016: Nil; 1 April 2015: 1,00,00,000) 0% Optionally Convertible Debentures of ₹ 10/- each fully paid	–	–	100,000.00
Total	**143,069.85**	**152,619.75**	**231,087.64**
Aggregate amount and market value of quoted investments	–	–	–
Aggregate amount of un-quoted investments	143,069.85	152,619.75	231,087.64
Aggregate amount of impairment in value of investments	–	–	–

NOTES (Contd...)

(Amount in ₹ thousand unless otherwise stated)

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
2.7	**LOANS**			
	(Unsecured, considered good)			
	Security deposits	669.80	821.34	1,601.09
	Other loans			
	-Inter-corporate deposits (ICD)	593,000.01	569,500.01	191,500.00
	Total	**593,669.81**	**570,321.35**	**193,101.09**

NON-FINANCIAL ASSETS

2.8	**OTHER NON-CURRENT ASSETS**			
	Income tax advances (net of tax liabilities)*	31,296.60	49,828.70	72,167.37
	Total	**31,296.60**	**49,828.70**	**72,167.37**

*Net of tax liabilities of ₹ Nil (March 31, 2016: ₹ 34,131.00 thousand; April 1, 2015: ₹ 73,038.00 thousand)

CURRENT ASSETS

2.9	**INVENTORIES**			
	(At lower of cost and net realisable value)			
	Work-in-progress			
	-Project at Chembur, Mumbai	648,885.17	647,616.37	183,495.20
	Stock-in-trade			
	-Equity Shares	–	–	23,908.50
	Total	**648,885.17**	**647,616.37**	**207,403.70**

FINANCIAL ASSETS

2.10	**INVESTMENTS**			
	Investments at fair value through profit or loss (FVTPL)			
	Investment in Mutual Funds (Unquoted)			
	3,96,583.87 Units (31 March 2016: Nil; 1 April 2015: 1,57,275.28) of LIC MF-liquid fund- Growth Plan	1,165,327.88	–	398,356.11
	Total	**1,165,327.88**	**–**	**398,356.11**
	(a) Aggregate amount and market value of quoted investments	–	–	–
	(b) Aggregate amount of unquoted investments	1,165,327.88	–	398,356.11
	(c) Aggregate amount of impairment in value of investments	–	–	–
2.11	**TRADE RECEIVABLES**			
	(Unsecured, considered good)			
	Trade receivables- sale of real estate	–	151,198.75	204,430.00
	Total	**–**	**151,198.75**	**204,430.00**
2.12	**CASH AND CASH EQUIVALENTS**			
	Balances with banks			
	-current account	113,818.14	9,457.65	7,104.35
	Cash on hand	109.81	49.97	2.26
	Cheques on hand	–	–	50,000.00
	Total	**113,927.95**	**9,507.62**	**57,106.61**
2.13	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**			
	Fixed Deposits with banks (For Margin Money)	37,925.32	37,896.14	38,278.88
	Less: Allowance for credit losses*	33,409.46	33,409.46	–
	Total	**4,515.86**	**4,486.68**	**38,278.88**

*Allowance in respect of fixed deposits encashed by Indian Bank. Refer note 2.40

NOTES (Contd...)

(Amount in ₹ thousand unless otherwise stated)

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
2.14	**LOANS**			
	(Unsecured, considered good)			
	Other loans			
	- Inter corporate Deposit	442,000.00	2,000.00	730,000.00
	- Loan to employees	431.72	–	–
	Total	**442,431.72**	**2,000.00**	**730,000.00**
2.15	**OTHER FINANCIAL ASSETS**			
	Interest receivable	58,472.82	47,997.45	56,725.15
	Other receivables*	535.63	625.21	17,667.94
	Total	**59,008.45**	**48,622.66**	**74,393.09**

*Includes receivable from related party ₹ Nil (March 31, 2016: ₹ 30 thousand; April 1, 2015 ₹ Nil)

NON-FINANCIAL ASSETS

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
2.16	**CURRENT TAX ASSETS (NET)**			
	Income tax advance (net of tax liabilities)*	–	4,415.26	–
	Total	**–**	**4,415.26**	**–**

*Net of tax liabilities of ₹ Nil (March 31, 2016: ₹ 38,907.00 thousand ; April 1, 2015: ₹ Nil)

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
2.17	**OTHER CURRENT ASSETS**			
	Other advances	17,965.82	1,601,640.47	1,000,020.00
	Total	**17,965.82**	**1,601,640.47**	**1,000,020.00**

EQUITY AND LIABILITIES

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
2.18	**SHARE CAPITAL**			
	Authorized:			
	30,00,00,000 (31 March 2016: 30,00,00,000, 1 April 2015: 30,00,00,000) Equity Shares of ₹ 10/- each	3,000,000.00	3,000,000.00	3,000,000.00
	1,00,00,000 (31 March 2016: 1,00,00,000, 1 April 2015: 100,00,000) Redeemable Preference Shares of ₹ 100/- each	1,000,000.00	1,000,000.00	1,000,000.00
	Total	**4,000,000.00**	**4,000,000.00**	**4,000,000.00**
	Issued , Subscribed and fully paid-up:			
	13,42,34,776 (31 March 2016: 13,42,34,776; 1 April 2015: 13,42,34,776) Equity Shares of ₹ 10/- each	1,342,347.76	1,342,347.76	1,342,347.76
		1,342,347.76	**1,342,347.76**	**1,342,347.76**

(a) The reconciliation of the number of equity shares outstanding is set out below:

Particulars	No. of Shares	Amount
As at April 1, 2015	134,234,776	1,342,347.76
Add/(less): Issued/(redeemed) during the year	–	–
As at March 31, 2016	134,234,776	1,342,347.76
Add/(less): Issued/(redeemed) during the year	–	–
As at March 31, 2017	134,234,776	1,342,347.76

(b) Number of shares held by each equity shareholder holding more than 5 percent of the issued share capital:

Particulars	No. of shares	% of holding
As at April 1, 2015		
- Abhey Kumar Oswal	53,530,960	39.88%
As at March 31, 2016		
- Aruna Oswal*	56,026,460	41.74%
As at March 31, 2017		
- Aruna Oswal	56,026,460	41.74%

*On the demise of Shri Abhey Kumar Oswal on 29th March, 2016, 5,35,30,960 shares held by him vests to his nominee, Mrs. Aruna Oswal(wife). The transmission was registered on 16th April, 2016.

(c) Right, preference and restrictions attached to equity shares:
The holding company has only one type of equity shares having par value of Rs. 10 each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The equity shareholders are entitled to dividend rights according to their paid up portion of the share capital. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES (Contd...)

(Amount in ₹ thousand unless otherwise stated)

2.19	OTHER EQUITY	As at 31.03.2017	As at 31.03.2016
	(a) Reserve and Surplus		
	Securities Premium Reserve		
	Balance at the commencement of the year	4,464,882.64	4,464,882.64
	Add: Additions/(Deletion) during the year	–	–
	Balance at the end	**4,464,882.64**	**4,464,882.64**
	Capital Reserve		
	Balance at the commencement of the year	1,500.00	1,500.00
	Add: Additions/(Deletion) during the year	–	–
	Balance at the end	**1,500.00**	**1,500.00**
	General Reserve		
	Balance at the commencement of the year	318,976.09	318,976.09
	Add: Additions/(Deletion) during the year	–	–
	Balance at the end	**318,976.09**	**318,976.09**
	Retained earnings		
	Balance at the commencement of the year	515,918.61	349,685.16
	Add: Profit/(loss) for the year	310,955.29	166,233.45
	Balance at the end	**826,873.90**	**515,918.61**
	(b) Other Components of Equity		
	Foreign currency translation reserve		
	Balance at the commencement of the year	52,214.42	–
	Add: Additions/(Deletion) during the year	(55,603.94)	52,214.42
	Balance at the end	**(3,389.52)**	**52,214.42**
	Equity Instruments through other comprehensive income (OCI)		
	Balance at the commencement of the year	(114,155.01)	–
	Add: Additions/(Deletion) during the year	(19,857.68)	(114,155.01)
	Balance at the end	**(134,012.69)**	**(114,155.01)**
	Remeasurement of net defined benefit plan		
	Balance at the commencement of the year	(1,128.39)	–
	Add: Additions/(Deletion) during the year	(123.48)	(1,128.39)
	Balance at the end	**(1,251.87)**	**(1,128.39)**
	Total (a+b)	**5,473,578.55**	**5,238,208.36**

NATURE AND PURPOSE OF COMPONENTS OF OTHER EQUITY:

Securities Premium Reserve

Securities premium reserve represents premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

General Reserve

This represents appropriation of profit by the Company. In the absence of any transfer to the General Reserve, there has been no movement in the General Reserve this year.

Retained Earnings

Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Equity instruments through OCI

This represents the gain/(loss) on re-measurement of equity instruments through other comprehensive income.

Remeasurement of net defined benefit plan

This represents the gain/(loss) on remeasurement of net defined benefit plan.

NON-CURRENT LIABILITIES

2.20	PROVISIONS	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	Provisions for employee benefits	3,122.79	272.53	574.60
	Total	**3,122.79**	**272.53**	**574.60**

NOTES (Contd...)

(Amount in ₹ thousand unless otherwise stated)

2.21 DEFERRED TAX LIABILITIES (NET)

(a) Deferred tax (assets)/liabilities relate to the following:

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deferred Tax Liabilities			
Property, Plant and Equipment and Investment Property	7,646.07	9,088.16	10,051.41
Mutual Funds measured at FVTPL	1,201.60	–	–
	8,847.67	**9,088.16**	**10,051.41**
Deferred Tax Assets			
Employee benefits expense	(1,592.19)	(1,023.59)	(780.86)
Income tax losses	–	(1,319.97)	(9,270.55)
	(1,592.19)	**(2,343.56)**	**(10,051.41)**
Net Deferred Tax Liabilities recognised in Consolidated Balance Sheet	**7,255.48**	**6,744.60**	**–**

(b) Movement in deferred tax liabilities/(assets):

Particulars	Property, Plant and Equipment and Investment Property	Employee benefits expense	Income Tax Losses	Mutual Funds measured at fair value through profit & Loss (FVTPL)	Total
Balance as at April 1, 2015	**10,051.41**	**(780.86)**	**(9,270.55)**	**–**	**–**
(Charged)/Credited to Profit or Loss	(963.25)	(242.73)	7,950.58	–	6,744.60
(Charged)/Credited to Other Comprehensive Income					
Balance as at March 31, 2016	9,088.16	(1,023.59)	(1,319.97)	–	6,744.60
Balance as at April 1, 2016	**9,088.16**	**(1,023.59)**	**(1,319.97)**	**–**	**6,744.60**
(Charged)/Credited to Profit or Loss	(1,442.09)	(568.60)	1,319.97	1,201.60	510.88
(Charged)/Credited to Other Comprehensive Income					
Balance as at March 31, 2017	**7,646.07**	**(1,592.19)**	**–**	**1,201.60**	**7,255.48**

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Accounting profit/(loss) before tax expense	114,973.71	63,096.21
Enacted tax rates in India	34.61%	34.61%
Taxed at India's statutory income tax rate	39,790.10	21,836.34
Effect of:		
Non deductible expense	7,269.23	14,562.60
Exempt non-operating income	(7,152.66)	–
Brought forwarded business losses under income tax utilised	(1,319.97)	(36,416.31)
Other incomes taxed at different rate	(94.80)	(12.46)
(Non-taxable income)/disallowable loss of foreign operations	(532.17)	29.83
Tax expense due to Minimum Alternate Tax (MAT)	–	20,173.20
Income tax expense recognised in Consolidated Statement of Profit and Loss	**37,959.73**	**20,173.20**

(d) The tax rates under Indian Income Tax Act, for financial year 2016-17 is 34.61% (Previous year 2015-16 is 34.61%)

(e) Unrecognised temporary differences

Particulars	As at 31.03.2017	As at 31.03.2016
i) The amount of deductible temporary differences on investments in equity shares for which no deferred tax asset is recognised	799,640.36	817,430.75
ii) The amount of unused long term capital losses as per Income Tax Act, 1961 on transfer of equity shares for which no deferred tax asset is recognised*	204,790.31	–
iii) The amount of deductible temporary differences on land on which no deferred tax asset is recognised	81,819.93	78,039.36
Potential tax benefit @ 23.07%	250,619.74	206,602.87

* The investments have been sold in F.Y 2016-17 (A.Y 2017-18) and are available for use till F.Y 2024-25 (A.Y 2025-26)

NOTES (Contd...)

(Amount in ₹ thousand unless otherwise stated)

FINANCIAL LIABILITIES

2.22	TRADE PAYABLES	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	Trade payables- sale of real estate	–	85,623.75	154,306.77
	Total	**–**	**85,623.75**	**154,306.77**

Based on the information available with the group, there are no dues as at March 31, 2017, March 31, 2016 and April 1, 2015 payable to enterprises covered under "Micro, Small and Medium Enterprises Development Act, 2006". No interest is paid/payable by the group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

2.23	OTHER FINANCIAL LIABILITIES			
	Creditors for expenses*	6,630.28	1,912.33	2,503.49
	Employee benefits payable**	602.08	172.88	348.32
	Total	**7,232.36**	**2,085.21**	**2,851.81**

*Includes payable to related party ₹ Nil (March 31, 2016: ₹ Nil; April 1, 2015 ₹ 842.52 thousand)

**Includes payable to related party ₹ 160.39 thousand (March 31, 2016: ₹ 65.25 thousand; April 1, 2015 ₹ 161.03 thousand)

NON-FINANCIAL LIABILITIES

2.24	OTHER CURRENT LIABILITIES			
	Payable against litigations	15,337.96	–	–
	Duties & taxes payable	696.50	319.78	274.69
	Other payables*	10,097.25	10,097.37	10,097.32
	Total	**26,131.71**	**10,417.15**	**10,372.01**

* Includes amount payable to related party ₹ 10,097.25 thousand (31 March 2016: ₹ 10,097.25 thousand, 1 April, 2015 ₹ 10,097.25 thousand)

2.25	PROVISIONS			
	Provisions for employee benefits	2,397.97	2,685.12	1,681.69
	Total	**2,397.97**	**2,685.12**	**1,681.69**

2.26	CURRENT TAX LIABILITIES (NET)			
	Income Tax*	22,926.57	6,395.65	–
	Wealth Tax	–	–	196.12
	Total	**22,926.57**	**6,395.65**	**196.12**

* Net of TDS and advance tax of ₹ 15,730.87 thousand (31 March 2016: ₹ 14,198.75 thousand, 1 April 2015: ₹ Nil)

NOTES RELATED TO STATEMENT OF PROFIT AND LOSS

2.27	REVENUE FROM OPERATIONS	Year ended 31.03.2017	Year ended 31.03.2016
	Sale of products		
	-Real Estate	155,001.00	151,198.75
	Total	**155,001.00**	**151,198.75**

2.28	OTHER INCOME		
	Interest income (including interest on income tax refund)	86,756.08	146,182.55
	Foreign Exchange fluctuation gain (net)	66,095.80	-
	Net gain on financial assets carried at FVTPL	10,018.98	6,354.07
	Profit on disposal of investments measured at FVTPL	61.22	-
	Rental Income	913.04	120.00
	Provisions no longer required written back	79.54	40.15
	Profit on sale of investment in associate	16,440.00	-
	Miscellaneous Income	5,742.72	164.67
	Total	**186,107.38**	**152,861.44**

2.29	PURCHASES OF STOCK IN TRADE		
	Purchase of Real Estate	154,189.33	150,123.76
	Purchase for project at Chembur, Mumbai	1,268.80	404,050.45
	Total	**155,458.13**	**554,174.21**

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

2.30	CHANGES IN INVENTORIES OF STOCK IN TRADE AND WORK-IN-PROGRESS	Year ended 31.03.2017	Year ended 31.03.2016
	Opening		
	Equity Shares (Stock in trade)	–	23,908.50
	Project at Chembur, Mumbai (WIP)	647,616.37	183,495.20
	Less: Equity shares held transferred to investment	–	23,908.50
	Add: Addition in Project at Chembur, Mumbai	–	60,070.72
	Less : Closing		
	Equity Shares (Stock in trade)	–	–
	Project at Chembur, Mumbai (WIP)	648,885.17	647,616.37
	Net change	**(1,268.80)**	**(404,050.45)**

2.31	EMPLOYEE BENEFITS EXPENSE		
	Salaries and wages	5,999.93	5,672.83
	Contribution to provident and other funds	486.99	371.26
	Staff welfare expenses	1,108.11	1,020.52
	Total	**7,595.03**	**7,064.61**

1)	**Defined Contribution Plan:**	**Current year**	**Previous year**
	Contribution to Provident fund	409.85	328.85

2) **Defined Benefit plan:**

I. **Gratuity**

The holding Company operates an unfunded gratuity plan. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

a. The liability is determined based on actuarial valuation using the Projected Unit Credit Method as at the balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date.

c. Actuarial gains and losses are recognised immediately in other comprehensive income in Statement of profit and loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

The amounts recognized in the statement of Profit & Loss Account for the year and previous year are as follows:-

Particulars	Gratuity (Unfunded) Year ended 31.03.2017	Gratuity (Unfunded) Year ended 31.03.2016
Recognised in profit and loss		
Current service cost	238.46	122.87
Interest Cost	151.54	116.68
Total	**390.00**	**239.55**
Recognised in other comprehensive income		
Actuarial Gain/(Loss)	205.94	(196.20)
Total	**205.94**	**(196.20)**
Expected contribution in the next year	465.76	174.57
Assumptions		
Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)	
Retirement Age (years)	60	58
Ages		
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Discount Rate	7.30	8.00
Future Salary Increase	5.50	5.50

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Mortality Rates for specimen ages:

Age	Mortality Rate	Age	Mortality Rate	Age	Mortality Rate
15	0.000614	45	0.002874	75	0.039637
20	0.000888	50	0.004946	80	0.060558
25	0.000984	55	0.007888	85	0.091982
30	0.001056	60	0.011534	90	0.138895
35	0.001282	65	0.017009	95	0.208585
40	0.001803	70	0.025855	100	0.311628

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The following table sets out the status of the gratuity:

Particulars	Gratuity (Unfunded) Year ended 31.03.2017	Gratuity (Unfunded) Year ended 31.03.2016
Change in present benefit obligations		
Present value of obligation as at the beginning of the Year	1,894.20	1,458.45
Interest Cost	151.54	116.68
Acquisition adjustment	1,905.17	–
Current service cost	238.46	122.87
Benefits Paid	–	–
Actuarial (Gain)/Loss - Experience	(137.58)	196.20
Actuarial (Gain)/Loss - Demographic Assumptions	(90.67)	–
Actuarial (Gain)/Loss - Financial Assumptions	22.31	–
Present value of obligation as at the end of Year	**3,983.43**	**1,894.20**
Present value of obligation as at the end of Year- current	1,591.99	1,639.33 \
Present value of obligation as at the end of Year- non-current	2,391.44	254.87
Change in plan assets		
Fair value of plan assets at the beginning of the year	–	–
Actual return on plan assets	–	–
Employer contribution	–	–
Benefits paid	–	–
Fair value of plan assets at the end of the year	–	–
Balance Sheet and related analysis		
Present Value of the obligation at end	3,983.43	1,894.20
Fair value of plan assets	–	–
Unfunded Liability/provision in Balance Sheet	3,983.43	1,894.20
Unfunded liability recognized in Balance Sheet	3,983.43	1,894.20

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such group is exposed to various risks as follows:

Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
Salary increase	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Sensitivity Analysis

Particulars	31.03.2017	31.03.2016
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	3,983.43	1,894.20
a) Impact due to increase of 0.50%	(34.22)	(4.11)
b) Impact due to decrease of 0.50%	35.66	4.22
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	3,983.43	1,894.20
a) Impact due to increase of 0.50%	36.11	4.30
b) Impact due to decrease of 0.50%	(34.96)	(4.23)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation and life expectancy are not applicable being a lump sum benefit on retirement.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

Maturity profile of defined benefit obligation	31.03.2017
April 2017- March 2018	1,591.99
April 2018- March 2019	45.21
April 2019- March 2020	45.99
April 2020- March 2021	1,066.72
April 2021- March 2022	250.53
April 2022- March 2023	419.10
April 2023 onwards	563.89

2.32 FINANCE COST	Year ended 31.03.2017	Year ended 31.03.2016
Interest others	993.82	602.54
Total	**993.82**	**602.54**

2.33 DEPRECIATION AND AMORTIZATION EXPENSE		
Property, plant and equipment	1,478.14	1,298.04
Investment property	368.14	368.14
Total	**1,846.28**	**1,666.18**

2.34 OTHER EXPENSES		
Rates and taxes	14,030.96	14,406.06
Consultation & Professional Fee	10,437.22	9,484.69
Postage & Telegram	2,711.03	3,263.94
Printing & Stationery	2,114.21	2,424.52
Rental Expense	759.00	429.26
Electricity Expenses	748.57	842.77
Listing Fees	520.98	494.38
Repairs & Maintenance:	–	–
Building	431.83	1,080.49
Others	1,315.28	4,134.24
Payment to Auditor:		
- Statutory Audit	3,222.75	1,143.50
- Other services	80.50	24.60
Net losses on financial assets measured at FVTPL	–	2,376.39
Legal claims	17,347.70	–
Other General Expenses	7,790.18	7,992.59
Total	**61,510.21**	**48,097.43**

2.35 EXCEPTIONAL ITEMS		
Credit losses on financial assets measured at amortised cost	–	33,409.46
Total	**–**	**33,409.46**

2.36 TAX EXPENSES		
-Income Tax*	37,959.73	20,173.20
-Deferred Tax	510.88	6,744.60
Total	**38,470.61**	**26,917.80**

*Minimum alternate tax in F.Y. 2015-16

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.37 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Opening equity shares (Nos.)	134,234,776	134,234,776
Equity shares issued during the year (Nos.)	–	–
Closing equity shares (Nos.)	134,234,776	134,234,776
Weighted average number of equity shares used as denominator for Basic/ Diluted EPS (Nos.)	134,234,776	134,234,776
Net profit/(loss) after tax used as numerator for Basic/Diluted EPS (Amount in ₹ thousand)	310,955.29	166,233.45
Basic/Diluted earnings per Share (Amount in ₹)	2.32	1.24
Face value per equity share (Amount in ₹)	10	10

OTHER DISCLOSURES

2.38 DIRECTOR'S REMUNERATION

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Salary, allowances and perquisites	2,167.07	1844.35
Contribution to provident fund	137.23	131.83
Total	**2,304.30**	**1,976.18**

Note : Provision for gratuity and provision for leave encashment has been made on a group basis and separate figures applicable to an individual employee are not available and therefore have not been considered in the above figures

2.39 DISCLOSURE UNDER IND AS -17 "LEASES":

The holding company has taken office space on lease under operating lease arrangements that are renewable on a periodic basis at the option of both the lessor and the lessee. The rent is subject to increase as per the prevalent market rates.

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Rent Paid during the year and recognised in Statement of Profit and Loss	759.00	429.26

2.40 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

	As at 31.03.2017	As at 31.03.2016
(a) Claims against the group not acknowledged as debts:		
- Demand raised by Indian Bank*	239,800.88	239,800.88
- Demand in respect of provident fund	–	5,467.52
- Other demand	12,893.34	12,893.34
(b) Other demands for which the group is contingently liable:		
-Sales Tax	19,275.97	19,275.97

*Indian Bank has before Debt Recovery Tribunal (DRT), along with notice under SARFAESI Act, 2002, raised a demand of ₹ 2,39,800.88 thousand (after appropriating the company's FDR of ₹ 33,409.46 thousand which has been fully provided for) along with interest. The dispute is on account of encashment of Bank Guarantee in 1986 by PNB, UK issued by it on behalf of the holding company which is pending before Debt recovery appellate tribunal(DRAT). Holding company has been legally opined that the present action of Indian Bank is barred by limitation and based upon the facts, legally not maintainable and the holding company envisages no liability on this account. Also refer note no 2.4

2.41 RESTATEMENT OF PRIOR PERIOD ADJUSTMENTS

During the previous financial year i.e., F.Y. 2015-16, the holding company identified a prior year adjustment of Rs. 1,710.61 thousand in respect of property, plant and equipment and investment property and Rs. 2,770.88 thousand in respect of income tax for earlier years that required the restatement at April 01, 2015.

Summary

A summary of the combined impact on the consolidated balance sheet as at 1st April, 2015, arising from the above restatement is as follows:

Head of Balance sheet as at 1st April, 2015	As reported	(Increase)/ decrease due to restatement
Retained earnings	5,133,983.62	(1,060.27)
Property, plant and equipment	50,469.48	2,399.43
Investment property	25,145.37	(688.82)
Other non-current assets	69,396.49	(2,770.88)

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.42 RELATED PARTY DISCLOSURES

(A) Related parties and transactions with them as identified by the management are given below:

(a) Associates – Oswal Greentech Limited
– News Nations Networks Private Limited (upto 24th August, 2016)

(b) Key Managerial Personnel – Mr. B.N Gupta (CEO & Director)
– Mr. Praveen Chopra (CFO)

(c) Other related parties – Aruna Abhey Oswal Trust
– Oswal Woollen Mills Limited

(B) Transactions with Related Parties in the ordinary course of business and outstanding balances as at the end of the year

	Particulars	Description	Current Year	Previous Year
(a)	**Associates**			
(i)	News Nations Networks Private Limited	**Transactions during the year**		
		Profit on sale on investment	16,440.00	–
		Balances outstanding at year end		
		Investment	–	–
(ii)	Oswal Greentech Limited	**Transactions during the year**		
		Office rental and maintenance paid	930.00	–
		Rental received	–	120.00
		Inventory Purchased	–	404,050.45
		Property, plant and equipment Purchased	–	2,241.67
		Project Balances Transferred	–	60,709.52
		Reimbursement of payments made by associate on behalf of the holding company	–	96.18
		Holding Company's share of common expenses transferred from the associate	–	1,800.07
		Transfer of Employee benefit liability from the associate	1,928.32	–
		Advance given for purchase of land	607,500.00	–
		Advance received back	607,500.00	–
		Balances outstanding at year end		
		Rent Receivable	–	30.00
		Investment	3,593,118.67	3,378,875.53
(b)	**Key Management personnel**			
(i)	Shri B. N. Gupta	**Transactions during the year**		
		Managerial Remuneration	2,304.30	1,976.18
		Employee Loan given	–	160.60
		Employee Loan received back	–	160.60
		Balance outstanding at year end		
		Managerial Remuneration payable	97.14	–
(ii)	Shri Praveen Chopra	**Transactions during the year**		
		Salary and Other Benefits	1,200.81	1,139.49
		Balance outstanding at year end		
		Salary and Other Benefits Payable	63.25	65.25
(c)	**Other related parties**			
(i)	Aruna Abhey Oswal Trust	**Transactions during the year**		
		Rental Income	913.04	–
(ii)	Oswal Woollen Mills Limited	**Balances outstanding at year end**		
		Other liability	10,097.25	10,097.25

Note: Post employment benefits and other long term employee benefits in relation to Key Managerial Personnels have not been shown separately as these are determined on actuarial basis for the holding company as a whole.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.43 SEGMENT INFORMATION

For management purposes, the group is organised into business units based on its products and services and has two reportable segments, as follows:

- The real estate segment which comprise of activities in the real estate sector including development of real estate, trading of real estate assets etc.
- The investment segment comprise of extending in form of intercorporate deposits of the surplus funds, investment in equity instruments and other securities
- Unallocable segment comprise of activities which can not be allocated to any of the above two segments and none of the activities meet the quantitative thresholds to produce a reportable segment. The source of revenue comprise majorly of interest income on fixed deposits and miscellaneous income not allocable to reportable segments.

No operating segments have been aggregated to form the above reportable operating segments

S No.	Particulars	Current year	Previous year
(a)	Segment Revenue (from external customers)		
	Investment	176,368.07	147,924.98
	Real Estate	158,966.51	151,198.75
	Unallocable	5,773.80	4,936.46
	Total Segment Revenue	**341,108.38**	**304,060.19**
(b)	Segment Results		
	Profit/(Loss) before tax and interest from each segment		
	Investment	163,306.11	132,548.40
	Real Estate	(14,354.12)	(17,626.63)
	Unallocable	(32,984.46)	(17,813.56)
	Less : Finance cost	993.82	602.54
	Less : Exceptional Items	–	33,409.46
	Profit before Tax	**114,973.71**	**63,096.21**
	Less: Current Tax	37,959.73	20,173.20
	Less: Deferred Tax	510.88	6,744.60
	Profit after Tax	**76,503.10**	**36,178.41**
	Add: Share of Profit of associate	234,452.19	130,055.04
	Profit for the year after Tax	310,955.29	166,233.45
(c)	Segment Assets		
	Investment	6,150,844.82	5,787,070.16
	Real Estate	652,754.61	802,629.44
	Unallocable	81,393.76	105,080.53
	Total Assets	**6,884,993.19**	**6,694,780.13**
(d)	Segment Liabilities		
	Investment	4,762.88	1,047.13
	Real Estate	852.26	85,925.59
	Unallocable	63,451.74	27,251.29
	Total Liabilities	**69,066.88**	**114,224.01**
(e)	Other Information		
(i)	**Capital expenditure**		
	Investment	–	–
	Real Estate	–	2,241.67
	Unallocable	–	–
(ii)	**Interest revenue**		
	Investment	81,061.82	141,570.90
	Real Estate	–	–
	Unallocable	5,694.26	4,611.65
(iii)	**Depreciation**		
	Investment	368.14	449.77
	Real Estate	383.79	203.70
	Unallocable	1,094.35	1,012.71

Note 1: The group does not have any material operations outside India and hence disclosure of geographic segments is not given.

Note 2: Revenue from two customers exceeded 10% of the group's revenue viz. ₹ 1,55,001.00 thousand (previous year ₹ 1,51,198.75 thousand) arising from sale of real estate under real estate segment and ₹ 57,200.00 thousand (previous year ₹ 94,251.78 thousand) arising from interest on inter-corporate deposits under investment segment.

Note 3: The interest expense and tax expense has not been disclosed by segment as the same is not allocable to any reportable segment.

Note 4: Investment in associate accounted using equity method amounts to ₹ 35,93,118.67 thousand (Previous year ₹ 33,78,875.53 thousand) under investment segment.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.44 Details of Loans given, Investments made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

I. Particulars of Loans given are as under:

Borrower Company	As at 31.03.2017	As at 31.03.2016
Minerals Management Services (India) Private Limited	2,000.00	2,000.00
Segue Enterprise Private Limited	43,000.01	59,500.01
Jagran Developers Private Limited	440,000.00	440,000.00
Maxrich Global Stocks Private Limited	–	70,000.00
Zurich Securities Private Limited	190,000.00	–
Malaysia Securities Private Limited	360,000.00	–
Total	**1,035,000.01**	**571,500.01**

All the above loans have been given for business purposes.

II. Particulars of investment made are given in Note no. 2.5, 2.6 and 2.10

III. The group has not given any guarantee or security in connection with a loan to any other body corporate or person.

2.45 FINANCIAL INSTRUMENTS

The carrying value and fair value of financial instruments by categories as at March 31, 2017 and March 31, 2016 are as follows:

Particulars	As at 31.03.2017		As at 31.03.2016	
	Carrying value	Fair value	Carrying value	Fair value
FINANCIAL ASSETS				
At fair value through other comprehensive income (FVTOCI)				
Non Current				
Investments	143,069.85	143,069.85	143,069.85	143,069.85
At fair value through profit or loss (FVTPL)				
Non Current				
Investments	–	–	9,549.90	9,549.90
Current				
Investments	1,165,327.88	1,165,327.88	–	–
At amortised cost				
Non Current				
i) Loans	593,669.81	593,669.81	570,321.35	570,321.35
Current				
i) Trade receivables	–	–	151,198.75	151,198.75
ii) Cash and cash equivalents	113,927.95	113,927.95	9,507.62	9,507.62
iii) Bank balances other than (ii) above	4,515.86	4,515.86	4,486.68	4,486.68
iv) Loans	442,431.72	442,431.72	2,000.00	2,000.00
v) Other financial assets	59,008.45	59,008.45	48,622.66	48,622.66
Total Financial Assets	**2,521,951.52**	**2,521,951.52**	**938,756.81**	**938,756.81**
FINANCIAL LIABILITIES				
At amortised cost				
Current				
(i) Trade payables	–	–	85,623.75	85,623.75
(ii) Other financial liabilities	7,232.36	7,232.36	2,085.21	2,085.21
Total Financial Liabilities	**7,232.36**	**7,232.36**	**87,708.96**	**87,708.96**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that fair value of trade receivables, cash and cash equivalents and other bank balances, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. In respect of loans, the fair value equals the carrying value as the risk management mechanism established by the group indicates that no impairment in the value of these loans.

DETAILS OF ASSETS PLEDGED AS COLLATERAL/SECURITY

The carrying amount of financial assets as at 31st March, 2017 and 2016 that the holding company has provided as collateral for obtaining borrowings and other facilities from the bankers as follows:

Particulars	As at 31.03.2017	As at 31.03.2016
Gross carrying amount of Investment Property	293.24	293.24

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.46 FAIR VALUE HIERARCHY

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at 31st March, 2017 and 31st March, 2016.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March, 2017 and 31st March 2016:

Particulars	Financial assets measured at FVTPL		Financial assets measured at FVTOCI	Assets for which fair value is disclosed
	Investment in equity instruments	Investment in Mutual funds	Investment in equity instruments	Investment properties
Carrying Value as at 31st March, 2017	–	1,165,327.88	143,069.85	25,097.91
Fair valuation as at 31st March, 2017				
Level 3	–	–	143,069.85	206,539.40
Level 2	–	–	–	–
Level 1	–	1,165,327.88	–	–
Carrying Value as at 31st March, 2016	9,549.90	–	143,069.85	25,466.05
Fair valuation as at 31st March, 2016				
Level 3	9,549.90	–	143,069.85	201,377.95
Level 2	–	–	–	–

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended on 31st March, 2017 or on 31st March 2016.

A one percent point change in the unobservable inputs used in fair valuation of level 3 assets and liabilities does not have a significant impact in its value.

The fair value of investments in mutual fund is determined on the basis of NAV of mutual fund declared on the last day of the financial year. The fair value of the equity instruments measured at FVTPL/FVTOCI is determined based on the valuation report from an independent valuer. The determination of the valuation by the valuer is based on level 3 inputs like discounted cash flows, net assets value etc.

Impact in consolidated statement of profit and loss:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Opening balance of investments valued using level 3 inputs	152,619.75	231,087.64
Add/(less): Fair value changes for the year recognised in profit or loss recognised in other income/(other expenses)	–	(2,376.39)
Add/(less): Transfer from/(to) inventory of investments	–	23,908.50
Add/(less): Purchase/(Sales)	(9,549.90)	(100,000.00)
Closing balance	**143,069.85**	**152,619.75**

2.47 FINANCIAL RISK MANAGEMENT

The group’s principal financial assets include investment in equity instruments and mutual funds, Inter-corporate deposits, trade receivables, other receivables and cash & bank balances.

The group’s principal financial liabilities comprise trade payables and other financial liabilities. These other liabilities mainly comprise of creditors for expenses and employee benefits payable.

The group's activities expose it to credit risk and liquidity risk. The group is not exposed to any market risk, neither in form of interest rate risk as the debt instruments issued by the company (i.e. intercorporate deposits) bear a fixed rate of interest as per the inter-corporate deposit agreements nor any foreign exchange risk. The different types of risk the group is exposed to are as follows:

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

(i) Credit risk

Credit risk is the risk that customer or counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's significant credit risk concentration is in its trade receivables and loans given [i.e. intercorporate deposits (ICD)] and interest receivable thereon aggregating to ₹ 10,93,409.73 thousand as at March 31, 2017 (₹ 7,70,589.40 thousand as at March 31, 2016). The objective of managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the ICD parties on regular basis by analysing their default pattern, reviewing annual financial performance and creditworthiness as evident from their financial statements. The company regularly assesses the increase in risk of default since initial recognition. The company considers a default of more than 6 months as an indicator for increased risk of default requiring the assessment of expected credit losses and resulting impairment, if any. The company uses a provision matrix to compute the expected credit losses (ECL) for trade receivables. The provision matrix takes into account internal and external credit risk factors and the company's historical experience for customers.

However, as at the date of balance sheet all parties were regular in meeting their contractual obligations and none of the financial assets are credit impaired. Credit risk on cash & cash equivalents and other bank balances is limited as the company holds these deposits with scheduled banks with high credit ratings.

Investments are primarily in equity instruments of companies. The management regularly values the investments from independent professional valuers to determine any impairment in the value of investments. Further, the company invests on short term basis in mutual funds having high credit rating from domestic credit rating agencies.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment recognised represents the maximum credit exposure. The maximum credit exposure as at 31.03.2017 and as at 31.03.2016 is as follows:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Investments (Non current and current)	1,308,397.73	152,619.75
Loans (Non current and current)	1,036,101.53	572,321.35
Trade receivables	–	151,198.75
Cash and cash equivalents	113,927.95	9,507.62
Bank Balances other than cash and cash equivalents	4,515.86	4,486.68
Others financial assets	59,008.45	48,622.66
Total	**2,521,951.52**	**938,756.81**

(ii) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The group does not have any significant financial liability as at March 31, 2017 or March 31, 2016 and group has enough liquid funds in the form of cash and cash equivalents to meet its financial obligations as and when they become due. The group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

As at March 31 2017, the group had a working capital of ₹ 23,93,374.24 thousand (Previous year ₹ 23,62,280.93 thousand). Further, the group has substantial pool of highly liquid financial assets like cash & cash equivalents, trade receivables and short term investments in mutual funds aggregating to ₹ 12,79,255.83 thousand (Previous year ₹ 1,60,706.37 thousand) as against the total current liabilities of ₹ 58,688.62 thousand (Previous year ₹ 1,07,206.88 thousand) which clearly establishes the strong liquidity position of the group.

The maturity analysis of the financial liabilities of the company as at 31.03.2017 is given as below:

Particulars	As at 31.03.2017		
	Less than 1 Year	1-2 Years	2 Years and above
Other financial liabilities	7,232.36	–	–
Total	**7,232.36**	**–**	**–**

The maturity analysis of the financial liabilities of the company as at 31.03.2016 is given as below:

Particulars	As at 31.03.2016		
	Less than 1 Year	1-2 Years	2 Years and above
Trade payables	85,623.75	–	–
Other financial liabilities	2,085.21	–	–
Total	**87,708.96**	**–**	**–**

2.48 FIRST TIME ADOPTION OF IND AS

These consolidated financial statements, for the year ended 31 March 2017 have been prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Group prepared its consolidated financial statements in accordance

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

with accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the group's opening balance sheet was prepared as at 1 April 2015, the group's date of transition to Ind AS. This note explains the principal adjustments made by the group in restating its Indian GAAP consolidated financial statements, including the balance sheets at 1st April, 2015 and 31st March, 2016.

2.48 (a) EXCEPTIONS TO RETROSPECTIVE APPLICATION OF OTHER IND AS (IND AS 101)

i) **Estimates:** An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error. The group has not made any changes to estimates made in accordance with previous GAAP.

ii) **Ind AS 109- Financial Instruments (Derecognition of previously recognised financial assets/financial liabilities):** As per Ind AS 101, an entity shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The group has applied the derecognition requirement prospectively.

iii) **Ind AS 109- Financial Instruments (Classification and measurement of financial assets):** As per Ind AS 101, classification and measurement of financial assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The group has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

iv) **Ind AS 109- Financial Instruments (Impairment of financial assets):** As per Ind AS 101, impairment requirements under Ind AS 109 should be applied retrospectively based on the reasonable and supportable information that is available on transition date without undue cost or effort. The group has applied impairment requirements retrospectively.

(b) EXEMPTIONS FROM OTHER IND ASs (IND AS 101)

i) Deemed Cost for property, plant and equipment and investment property: Ind AS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition. This exemption can also be used for investment property covered by Ind AS 40, Investment Properties. Accordingly, the group has elected to measure all of its property, plant and equipment and investment properties at their previous GAAP carrying amount.

ii) **IND AS 109 Financial Instruments :** An entity may designate an investment in an equity instrument as at fair value through other comprehensive income (FVTOCI) in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS. The group has designated unquoted equity instruments in companies other than subsidiaries at FVTOCI, based on the assessment made on the date of transition to Ind AS.

iii) **Cumulative translation difference (Ind AS 21):** Cumulative translation differences for all foreign operations may be deemed to be zero on the date of transition to Ind AS. The company has exercised the exemption and deemed accumulated translation difference under the head foreign currency translation reserve under reserves and surplus as zero on the date of transition.

(c) EQUITY RECONCILIATION AS PER THE REQUIREMENTS OF IND AS 101:

The following reconciliations provide the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

I. Equity as at 1st April, 2015 and as at 31st March, 2016

II. Total comprehensive income for the year ended 31st March, 2016

III. Reconciliation of other equity as at 1st April, 2015 and 31st March, 2016

IV. Footnotes

(d) Reconciliation of statement of cash flow

There are no material adjustments to the consolidated statement of cash flows as reported under previous GAAP.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

I.A. Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS):

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
Non–current assets				
(a) Property, Plant and Equipment	1	50,469.48	(3,232.17)	47,237.31
(b) Investment Property	1	25,145.37	688.82	25,834.19
(c) Investments accounted for using the equity method	2	3,170,788.70	197,169.96	3,367,958.66
(d) Financial Assets				
(i) Investments	2	226,323.85	4,763.79	231,087.64
(ii) Loans		193,101.09		193,101.09
(e) Other non–current assets	1	69,396.49	2,770.88	72,167.37
		3,735,224.98	**202,161.28**	**3,937,386.26**
Current assets				
(a) Inventories		207,403.70		207,403.70
(b) Financial Assets				
(i) Investments	2	396,064.72	2,291.39	398,356.11
(ii) Trade Receivables		204,430.00	–	204,430.00
(iii) Cash and cash equivalents		57,106.61	–	57,106.61
(iv) Bank Balances other than (iii) above		38,278.88	–	38,278.88
(v) Loans		730,000.00	–	730,000.00
(vi) Other financial assets		74,393.09	–	74,393.09
(c) Other current assets		1,000,020.00	–	1,000,020.00
		2,707,697.00	**2,291.39**	**2,709,988.39**
Total Assets		**6,442,921.98**	**204,452.67**	**6,647,374.65**
Equity				
(a) Equity Share capital		1,342,347.76	–	1,342,347.76
(b) Other equity	III	4,930,591.22	204,452.67	5,135,043.89
		6,272,938.98	**204,452.67**	**6,477,391.65**
Liabilities				
Non–current liabilities				
(a) Provisions		574.60	–	574.60
		574.60	**–**	**574.60**
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables		154,306.77	–	154,306.77
(ii) Other financial liabilities		2,851.81	–	2,851.81
(b) Other current liabilities		10,372.01	–	10,372.01
(c) Provisions		1,681.69	–	1,681.69
(d) Current Tax Liabilities (net)		196.12	–	196.12
		169,408.40	**–**	**169,408.40**
Total Equity and Liabilities		**6,442,921.98**	**204,452.67**	**6,647,374.65**

I.B. Reconciliation of equity as at 31st March 2016 (date of transition to Ind AS):

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
Non–current assets				
(a) Property, Plant and Equipment		48,180.94	–	48,180.94
(b) Investment Property		25,466.05	–	25,466.05
(c) Investments accounted for using the equity method	2	3,305,576.96	73,298.57	3,378,875.53
(d) Financial Assets				–
(i) Investments	2	150,232.35	2,387.40	152,619.75
(ii) Loans		570,321.35	–	570,321.35
(e) Other non–current assets		49,828.70	–	49,828.70
		4,149,606.35	**75,685.97**	**4,225,292.32**
Current assets				
(a) Inventories		647,616.37	–	647,616.37
(b) Financial Assets				
(i) Investments		–	–	–
(ii) Trade Receivables		151,198.75	–	151,198.75
(iii) Cash and cash equivalents		9,507.62	–	9,507.62
(iv) Bank Balances other than (iii) above		4,486.68	–	4,486.68
(v) Loans		2,000.00	–	2,000.00
(vi) Other financial assets		48,622.66	–	48,622.66
(c) Current tax assets (net)		4,415.26	–	4,415.26
(d) Other current assets		1,601,640.47	–	1,601,640.47
		2,469,487.81	**–**	**2,469,487.81**
Total Assets		**6,619,094.16**	**75,685.97**	**6,694,780.13**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Particulars	Footnotes	IGAAP	Adjustments	Ind AS
Equity				
(a) Equity Share capital		1,342,347.76	–	1,342,347.76
(b) Other equity	III	5,162,522.39	75,685.97	5,238,208.36
		6,504,870.15	**75,685.97**	**6,580,556.12**
Liabilities				
Non–current liabilities				
(a) Provisions		272.53	–	272.53
(b) Deferred Tax Liabilities (net)		6,744.60	–	6,744.60
		7,017.13	**–**	**7,017.13**
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables		85,623.75		85,623.75
(ii) Other financial liabilities		2,085.21		2,085.21
(b) Other current liabilities		10,417.15		10,417.15
(c) Provisions		2,685.12		2,685.12
(d) Current Tax Liabilities (net)		6,395.65		6,395.65
		107,206.88	**–**	**107,206.88**
Total Equity and Liabilities		**6,619,094.16**	**75,685.97**	**6,694,780.13**

II Reconciliation of total comprehensive income as previously reported under IGAAP to Ind AS for the year ended 31st March 2016

Particulars	Amount
Net profit/(loss) after tax under IGAAP	175,665.78
Adjustments:	
Fair value adjustment relating to investment in mutual funds and equity shares at FVTPL	(4,667.78)
Effect of foreign currency translation reserve	56,265.39
Restatement in relation to property, plant & equipment	2,543.35
Effect of Ind AS adjustment for associate	(123,871.39)
Restatement in income tax for earlier year taxes	(2,770.88)
Net profit/(loss) after tax under Ind AS	**103,164.47**

III. Reconciliation of equity as from Previous GAAP and to IND AS is stated as under:

Particulars	Footnotes	As at 01.04.2015	As at 31.03.2016
Equity as per IGAAP		4,930,591.22	5,162,522.39
Adjustments:			
IIn relation to property plant & equipment and investment property	1	(2,543.35)	–
Fair value adjustment relating to investment in mutual funds and equity shares at FVTPL	2	7,055.18	2,387.40
Effect of Ind AS adjustment for associate	2	197,169.96	73,298.57
Changes due to income tax for earlier years restated	1	2,770.88	–
Equity as per IND AS		**5,135,043.89**	**5,238,208.36**

IV. FOOTNOTES:

1 **Property Plant and Equipment:** During the F.Y. 2015-16, the holding company identified a prior year adjustments in respect of property, plant and equipment and investment property that required the restatement as at April 01, 2015 in accordance with Ind AS. Hence, the resultant impact of (–) ₹ 3,232.17 thousand in respect of property, plant & equipment and ₹ 688.82 thousand in respect of investment property has been incorporated as on the date of transition.

Further, income tax for earlier year of ₹ 2,770.88 thousand as reflected in IGAAP consolidated financials has been restated in accordance with Ind AS as on the date of transition resulting in increase in other non current assets.

2 **Investments:**

	Investments accounted for using the equity method		Investments (financial assets)	
	Non-current	**Current**	**Non-current**	**Current**
Amount as per IGAAP as at 1st April, 2015	3,170,788.70	–	226,323.85	396,064.72
Fair value adjustment relating to investment at FVTPL as at 1st April, 2015	–	–	4,763.79	2,291.39
Effect of Ind AS adjustment for associate	197,169.96	–	–	–
Restated amount as per Ind AS as at 1st April, 2015	**3,367,958.66**	**–**	**231,087.64**	**398,356.11**
Amount as per IGAAP as at 31st March, 2016	3,305,576.96	–	150,232.35	–
Fair value adjustment relating to investment at FVTPL as at 31st March, 2016	–	–	2,387.40	–
Effect of Ind AS adjustment for associate	73,298.57	–	–	–
Amount as per Ind AS as at 31st March, 2016	**3,378,875.53**	**–**	**152,619.75**	**–**

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

2.49 DISCLOSURE ON SPECIFIED BANK NOTES

During the year the holding company had specified bank notes ('SBNs') or other denomination notes as defined in the MCA notification, G.S.R. 308 (E) 30th March, 2017. The details of the SBNs held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification are as follows:

(Amount in ₹)

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016 as certified by management	31,000	56	31,056
(+) Permitted receipts	–	–	–
(–) Permitted payments	–	–	–
(–) Amount deposited in Banks	31,000	–	31,000
(+) Amount withdrawn from Banks	–	150,000	150,000
Closing cash in hand as on 30.12.2016	**–**	**150,056**	**150,056**

*"Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 8th Novermber, 2016 i.e. series of the value of five hundred rupees and one thousand rupees existing on 8th November, 2016 that ceased to be legal tender as on that date.

2.50 INFORMATION (PURSUANT TO IND AS-37) - BRIEF PARTICULARS OF PROVISION ON DISPUTED LIABILITIES:

Nature of Liability	Provident Fund
Particulars of Dispute	Demand for contribution to fund
Opening Provision	–
Provision made during the year	15,337.96
Provision reduced during the year	–
Closing Provision	**15,337.96**

Notes: i) The case is pending before the apex court and will be paid on the basis of the final judgement.
ii) Provision is made herein as a measure of abundant precaution.
iii) Remote risk possibility of cash outflows is presumed pertaining to contingent liabilities as listed in note no. 2.40

2.51 Additional Information pursuant to Para 2 of general instructions for the preparation of consolidated financial statements as on 31.03.2017

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income/loss	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
Oswal Agro Mills Limited	46.96%	3,200,432.10	24.11%	74,965.38	73.26%	(55,376.05)	8.32%	19,589.33
Subsidiary								
Foreign:								
Oswal Overseas Limited (Dubai, UAE)	0.32%	22,375.54	0.49%	1,537.72	0.00%	–	0.65%	1,537.72
Associate:								
Indian:								
Oswal Greentech Limited	52.72%	3,593,118.67	75.40%	234,452.19	26.74%	(20,209.05)	91.03%	214,243.14
	100.00%	**6,815,926.31**	**100.00%**	**310,955.29**	**100.00%**	**(75,585.10)**	**100.00%**	**235,370.19**

2.52 OTHER NOTES

(i) **Capital management:** The group has only equity capital as the only source of capital and has no funds raised in form of borrowing. The group aims at utilising the capital in the most optimum manner. Hence the comprehensive disclosures required by Ind AS 1, in respect of capital management are not required by the group.

(ii) Average Net profit for the three immediately preceding financial years, as per Section 198 of the Companies Act, 2013 ("Act") is nil. Accordingly, company was not required to spend any amount on CSR activities as per Section 135 of the Act in the current and previous year.

(iii) As per the internal assessment of the group, there is no non financial asset requiring allowance for impairment in compliance of IND AS 36 on "Impairment of Assets" other than already provided for, if any.

As per our report of even date attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm Registration No. 006711N/N500028)

Surender Kumar
Partner
Membership No. 082982

Place : New Delhi
Date : 26th May, 2017

For and on behalf of the Board of Directors of holding company
OSWAL AGRO MILLS LIMITED

B N Gupta
CEO and Director
DIN : 00562338

Anil Bhalla
Director
DIN : 00587533

Parveen Chopra
Chief Financial Officer

Gopal
Company Secretary

IMPORTANT COMMUNICATION TO SHAREHOLDERS

Dear Shareholders,

There is growing awareness and concern on the need to protect our environment around the globe. OSWAL AGRO MILLS LIMITED has always been a company that has taken the lead in its efforts to protect the environment, with a strong focus on eco-sustainability in our operations. Taking this future, we now propose to send documents such as the Annual Report, Notices and other documents to the shareholders through electronic, paperless mode.

This is also in line with the 'Green Initiative in Corporate Governance' introduced by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) permitting listed entities to send soft copies of Annual Report, Notice and other documents to those shareholders who have registered their email addresses for the said purpose.

We request you to join us in this noble initiative and look forward to your consent for receiving communication through the electronic mode.

To do this, you are requested to take the following steps-

FOR THE SHARES held in physical mode: Please fill the enclosed form and mail it to us on the registered office/registrar office address of the Company.

FOR THE SHARES held in dematerialized mode: Please update/register your e-mail address with your Depository Participant.

The Annual Report of your Company would also be available on the Company's website - **www.oswalagromills.com**

OSWAL AGRO MILLS LIMITED
(CIN- L15319PB1979PLC012267)

Regd. Office: Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana- 141 003(Punjab), Phone No. 0161-2544313

Dear Sir,

Sub: Service of Annual Report, Notice and other documents in electronic mode

I hereby give my consent to receive the above mentioned documents through the electronic mode.

Name & address of sole/first shareholder : ....

....

....

DP ID and Client ID/Folio No. : ....

No. of Shares held : ....

E-mail ID : ....

Place :

Date :

Signature of sole/first shareholder

OSWAL AGRO MILLS LIMITED

(CIN-L15319PB1979PLC012267)
Regd. Office: Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab), Phone No. 0161-2544313
Website: www.oswalagromills.com, Email:oswal@oswalagromills.com

ATTENDANCE SLIP
(To be presented at the entrance Hall)

NAME OF SHAREHOLDER/PROXY	
DP ID / CLIENT ID / FOLIO NO.	
NO. OF SHARES HELD	

I/we hereby record my/ our presence at the 37th Annual General Meeting of the Company, being held on Thursday, the 28th September, 2017 at 12.30 P.M. at Company's Registered Office at Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab)

(Signature of Shareholder/Proxy)

.....................✂..✂..✂..

OSWAL AGRO MILLS LIMITED

(CIN-L15319PB1979PLC012267)
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Website: www.oswalagromills.com, Email: oswal@oswalagromills.com

PROXY FORM
(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administrations) Rules, 2014)

Name of the Member (s) : ....
Registered Address: ....
Email: ....

DP ID / CLIENT ID / FOLIO NO.	
NO. OF SHARES HELD	

I/We .... of... being a member /members of OSWAL AGRO MILLS LIMITED hereby appoint:

Name ....Resident of ....

Email id ....Signature ....or failing him/her

Name ....Resident of ....

Email id ....Signature ....or failing him/her

Name ....Resident of ....

Email id ....Signature ....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 37th ANNUAL GENERAL MEETING of the Company, being held on Thursday, the 28th September, 2017 and at any adjournment thereof in respect of such resolutions as are indicated hereunder below :

1. Adoption of Audited Financial Statements (including Consolidated Financial Statements) as at 31st March, 2017 together with Directors' and Auditors' Report thereon.
2. Re-appointment of Shri Anil Bhalla (DIN: 00587533), who retires by rotation.
3. To appoint M/s Agarwal & Dhandhania, Chartered Accountants (ICAI Firm Registration Number 125756W) as Statutory Auditors of the Company.

Signed this .... day of 2017

Affix Revenue Stamp of Re.1/-

(Signature of Proxy) ....   (Signature of member)

NOTE:
1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The proxy form should reach the Company not less than 48 hours before the time fixed for holding the meeting.
3. A Proxy need not be a shareholder of the Company.
4. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

NOTE

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