

OAML/ND/2020

September 04, 2020

The Manager National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Sandra (East) Mumbai - 400051 Email: cmlist@nse.co.in Scrip Code: OSWALAGRO	The Manager BSE Ltd. Department of Corporate Services Floor 25, P J Towers, Dalal Street, Mumbai - 400001 Email: corp.relations@bseindia.com Scrip Code: 500317
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Sub: Submission of Annual Report and intimation under Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 regarding Book Closure

Dear Sir,

In pursuance of the Regulation 34(1) of the SEBI Listing Regulations, 2015, please find enclosed herewith the Notice of 40th Annual General Meeting of the Company along with Annual Report of the Company for the financial year 2019-20.

Further, pursuant to Regulation 42 of SEBI Listing Regulations, 2015 and Section 91 of the Companies Act, 2013, read with Rule 10 (1) of the Companies (Management & Administration) Rules, 2014, the Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, 22nd September 2020 to Monday, 28th September 2020 (both days inclusive) for annual closing and entitlement of the Members, if any.

The cut-off date for e-voting would be Monday, 21st September 2020.

Submitted for your kind reference and records.

This is for your Information and records.

Yours faithfully,

For Oswal Agro Mills Limited

ANIL
BHALLA

Digitally signed by ANIL
BHALLA
Date: 2020.09.04 11:06:09
+05'30'

Anil Bhalla

Director

DIN: 00587533

Annual Report 2019-20



Oswal Agro Mills Limited



Hon'ble Shri Abhey Kumar Oswal

COMPANY INFORMATION

Corporate Identification No. (CIN) L15319PB1979PLC012267

BOARD OF DIRECTORS

Dr. Aruna Oswal - Chairperson
Shri Anil Bhalla - Director
Shri Bhola Nath Gupta - CEO & Wholetime Director
Smt. Shikha Jain - Independent Director
Shri Ramesh Kumar Khanna - Independent Director
Shri Mohinder Pal Singh - Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Gopal

CHIEF FINANCIAL OFFICER

Shri Parveen Chopra

STATUTORY AUDITORS

M/s Agarwal & Dhandhania
Chartered Accountants

BANKERS

HDFC Bank Limited
RBL Bank Limited

REGISTERED OFFICE

Near Jain Colony, Vijay Inder Nagar,
Daba Road, Ludhiana-141003 (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. +91-11-40450193-97
Email ID: compliances@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. +91-11-23753652, Fax No. +91-11-23716276

Website: www.oswalagromills.com, Email: oswal@oswalagromills.com

NOTICE OF THE MEETING

Notice is hereby given that the 40th Annual General Meeting (AGM) of Oswal Agro Mills Limited. ("the Company") will be held on Monday, 28th day of September 2020 at 12:00 P.M. IST through video conferencing("VC")/other audio - visual means ("OAVM"), in accordance with the relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited IND-AS financial statements (including audited consolidated IND-AS financial statements) for the financial year ended 31st March 2020 and the reports of the Board of Directors and Auditors thereon.
2. To appoint Shri Anil Bhalla (DIN 00587533), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **APPROVAL FOR CONTINUATION OF HOLDING THE OFFICE OF CHIEF EXECUTIVE OFFICER & WHOLETIME DIRECTOR BY SHRI BHOLA NATH GUPTA (DIN 00562338) WHO HAS ATTAINED THE AGE OF 70 (SEVENTY) YEARS.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to section 196(3), 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force)] and the Articles of Association of the Company, consent of the Members of the Company, be and is hereby accorded for continuation of holding the office of Chief Executive Officer & Wholetime Director by Shri Bhola Nath Gupta (DIN 00562338) who has attained the age of 70 (Seventy) years as on 14th March 2020 upto the expiry of his present term of office at remuneration payable as mentioned below as approved by the Board w.e.f. 01st October, 2020:

Salary and Allowances:

Basic salary	Rs. 1,45,300/- per month
House Rent Allowance	Rs. 72,650/- per month
TPT Allowance	Rs. 800/- per month
Medical Allowance	One month salary, P.A. as per rules of the Company
Leave Travel Allowance	One month salary, P.A. as per rules of the Company
Bonus	As per Company's policy and approved by the board
PF, Gratuity etc.	Company's contribution to Provident Fund, Gratuity payable and Encashment of un-availed leaves, ex gratia and reimbursement of expenses as per Rules of the Company.

RESOLVED FURTHER THAT all other terms and conditions pertaining to the appointment of Shri Bhola Nath Gupta (DIN 00562338), Chief Executive Officer and Wholetime Director of the Company are to be governed by the letter of appointment issued by the Company and duly accepted by Shri Bhola Nath Gupta.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to vary or increase the remuneration in the said letter of appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provision under the Act for the time being in force, provided however that the remuneration payable shall be within the limits set out in the said Act including the said Schedule V to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and/or any rules or regulations framed there under and the terms of the aforesaid letter between the Company and Shri Bhola Nath Gupta shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the terms of Shri Bhola Nath Gupta as CEO and Wholetime Director, the remuneration set out in his letter of appointment be paid or granted to Shri Bhola Nath Gupta as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section IIA of Part II of Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Date : 28.08.2020

Gopal
Company Secretary

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20/2020 dated 5th May 2020 read with Circular No. 14/2020 and Circular No. 17/2020 dated 8th April 2020 and 13th April 2020 respectively (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of Members. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and MCA Circulars mentioned above, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. ALTHOUGH, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
3. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) shall send scan of certified true copy of the board resolution/authority letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Company at cs@oswalagromills.com to attend and vote at the AGM.
4. A statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of item no.3 of the Notice set out above is annexed hereto.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Notice of 40th AGM and the Annual Report 2019-20 will also be available on the Company's website www.oswalagromills.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. Shareholders are requested to follow the process as mentioned below to enable the Company to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password.

Physical Holding: Member may send an e-mail request to the Company at cs@oswalagromills.com or to its RTA - Skyline Financial Services Private Limited at compliances@skylinerta.com along with - 1) scanned copy of the signed request letter mentioning your Name, Folio Number, Share Certificate Number, complete address, email address and mobile number, and 2) scanned copy of self-attested PAN card

Demat Holding: Members holding shares in dematerialized mode are requested to register/update their email addresses with their relevant Depository Participant.

In case of any queries/difficulties in registering the e-mail address, Members may write to cs@oswalagromills.com or compliances@skylinerta.com.

6. The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, 22nd September 2020 to Monday, 28th September 2020 (both days inclusive).
7. All the documents referred to in the accompanying notice shall be available for inspection from the date of circulation of this notice up to the date of AGM. These documents along with the extracts from Register of Directors and Key Managerial Personnel & their shareholding and the Register of Contracts & Arrangements in which directors are interested under section 189 of the Companies Act, 2013 shall be available for inspection in electronic mode during the meeting to any person having right to attend the meeting.
8. In case you have any query relating to the financial statements or any other matter to be placed at AGM you are requested to send the same to the Company Secretary at cs@oswalagromills.com at least 10 days before the date of AGM so as to enable the management to keep the information ready for replying at the meeting.
9. **Cut-Off Date:**
The cut-off date for the purpose of voting (including remote e-voting) is Monday, 21st September 2020. The voting rights of Members shall be in proportion to their shares of the paid - up equity share capital of the Company as on the cut-off date.
10. As per the requirement of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard 2 on General Meeting for appointment of the Director(s)/re-appointment of the retiring Director(s), a statement containing details of the concerned Director(s) is provided herewith.
11. **Company's Equity Shares are compulsory traded in Demat Form and therefore, shareholders are requested to get their shares dematerialized by opening an account with a Depository Participant through "National Securities Depository Ltd" (NSDL) or "Central Depository Services (India) Limited" (CDSL).**
12. Shareholders interested in giving nominations in respect of the shares held by them in physical form, can do so by submitting nomination forms (SH-13) with RTA of the Company (as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment thereof). Nomination form can be obtained from the Company/RTA.
13. Members holding shares in physical form may write to the Company for any change in their address, bank mandates and all other matters. While Members holding shares in electronic form are requested to provide/intimate all changes with respect to their bank details, mandate, power of attorney or address for correspondence to their respective Depository Participant (DP). These changes will be automatically reflected in the Company's records through Electronic Connectivity with NSDL/CDSL.

14. The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
15. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company Registrar and Share Transfer Agent, M/s. Skyline Financial Services Pvt. Ltd.
16. In all correspondence with the Company, members are requested to quote their account/folio numbers and in case, the shares are held in the dematerialized form, they must quote their Client ID number and DP ID number.
17. As per the Green Initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail IDs by sending written requests to our RTA M/s Skyline Financial Services Pvt. Ltd. at compliances@skylinerta.com 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.
18. The Board of Directors has appointed CA Paramnoor Singh, Chartered Accountant in Practice (Membership No. 515572 and Managing Partner of M/s R. Arora & associates (Registration No. 005035N) as the Scrutinizers, for conducting the e-voting and remote e-voting process in a fair and transparent manner.
19. The Scrutinizer shall after the conclusion of voting at AGM, will make, not later than 48 hours of the conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company who shall countersign the Scrutinizer's Report and shall declare the result forthwith. The Scrutinizer's decision on the validity of the vote shall be final and binding.
20. The result declared along with the Scrutinizer's report shall be placed on the website of the Company (www.oswalagromills.com) immediately after the result is declared and shall simultaneously be forwarded to the Exchanges where the Company's shares are listed.
21. **Dispatch of Annual Report & Notice of AGM through electronic mode**
 - i. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April 2020, Circular No.17/2020 dated 13th April 2020 , which deals with convening of Extra-Ordinary General Meetings (EGM) issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, clarification on holding AGM through VC/OAVM physical attendance of the Members at the Annual General Meeting (AGM) venue is not required and AGM to be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
 - ii. Pursuant to the Circular No. 14/2020 dated 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
 - iii. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 - iv. As per the Secretarial Standard 2 on General Meetings issued by ICSI, the quorum present throughout the meeting/AGM and therefore, the attendance of members attending the AGM through VC/OAVM and present throughout the AGM shall only be considered/counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 - v. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April 2020, 13th April 2020 and 5th May 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue e-voting on the date of the AGM will be provided by NSDL. The Company has engaged its RTA – Skyline Financial Services Private Limited for making necessary arrangements and conducting the AGM through VC/OAVM using their platform.
 - vi. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.oswalagromills.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-voting facility) i.e. www.evoting.nsdl.com.
 - vii. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April 2020 and MCA Circular No. 17/2020 dated 13th April 2020 and MCA Circular No. 20/2020 dated 5th May 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Friday, 25th September, 2020 at 09:00 A.M. and ends on Sunday, 27th September 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsd.com/>

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you login to NSDL e-services after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID. For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below
 - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Company for which you wish to cast your vote.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution/authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to paramnoor.singh@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password](#)" or "[Physical User Reset Password](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those Shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to oswal@oswalagromills.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to oswal@oswalagromills.com

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access the same at <https://www.evoting.nsdl.com> under Shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at oswal@oswalagromills.com.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at oswal@oswalagromills.com. The same will be replied by the Company suitably.
7. Those shareholders who have registered themselves as a speaker at least 48 hours before the scheduled time of the meeting shall only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending upon availability of time.

INFORMATION REQUIRED TO BE FURNISHED IN PURSUANCE OF REGULATION 36 OF SEBI LISTING REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ON GENERAL MEETINGS

Name of Director to be re-appointed	Shri Anil Bhalla
Directors Identification Number (DIN)	00587533
Date of Birth	3 rd December, 1949
Date of Appointment on the Board of the Company	17 th August 1989
Qualifications	B. Com
Expertise in specific functional areas	Wide experience in commercial and general administration
Relationships between directors inter-se	None
Directorships held in other listed companies	Oswal Greentech Limited
Committee Membership/Chairmanship in other listed companies	Oswal Greentech Limited – <ul style="list-style-type: none"> • Chairperson of Stakeholders Relationship Committee • Member of Corporate Social Responsibility Committee • Member of Share Transfer Committee
Number of shares held in the Company	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NO 3

The Shareholders of the Company at the 39th Annual General Meeting held on 25th September 2019 approved the re-appointment of Shri Bhola Nath Gupta as an Chief Executive officer & Wholetime Director of the Company from 1st October, 2019 to 30th September,2022 through a Special Resolution under the relevant provisions of the Companies Act, 2013.

Shri Bhola Nath Gupta, Chief Executive Officer & Wholetime Director of the Company has attained the age of 70 years during March 2020. Pursuant to section 196(3) of the Companies Act, 2013, the Company seeks consent of the members by way of special resolution for continuation of his holding of existing office after the age of 70 years during the currency of his term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013 on the salary and perquisites as mentioned above in the notice.

Shri Bhola Nath Gupta possesses vast experience of more than 4 decades in the area of Management & Administration. Under his guidance, Company had achieved substantial growth during last decade. Considering the seniority, expertise & vast experience of Shri Bhola Nath Gupta, the Nomination & Remuneration Committee and Board of Directors of the Company are of the opinion that continuation of Shri Bhola Nath Gupta as CEO & Wholetime Director would be immensely beneficial for the Company.

Remuneration of Shri Bhola Nath Gupta as fixed by the Nomination & Remuneration Committee and Board of Directors of the Company is within the limit as per Schedule V to the Companies Act, 2013.

On the recommendation of Nomination & Remuneration Committee, the Board of Directors at its meeting held on 25th June, 2020, has recommended to the Members of the Company to approve the continuation of Shri Bhola Nath Gupta as Chief Executive Officer & Wholetime Director of the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Shri Bhola Nath Gupta, is in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the passing of the resolution no. 3, by way of special resolution as per requirement of Companies Act, 2013 for your approval as set out in the notice at item no 3.

By Order of the Board
For Oswal Agro Mills Limited

Gopal
Company Secretary

Place : New Delhi
Date : 28.08.2020

DIRECTORS' REPORT

To
The Members,
Oswal Agro Mills Limited

Your Board of Directors have pleasure in presenting the 40th Annual Report on the business and operations of the Company together with audited financial statements for the Financial Year ended 31st March 2020.

FINANCIAL HIGHLIGHTS

The Company's performance grouped in accordance with the new accounting standards Ind-AS (Indian Accounting Standards), is summarized below:

(₹ in thousand)

PARTICULARS	2019-20	2018-19
Revenue from Operations	146052.91	–
Other Income	259161.88	216687.10
Total Revenue	405214.79	216687.10
Profit/Loss before Depreciation, Finance Costs and Tax	99648.00	102509.30
Less: Depreciation	3673.65	2109.16
Profit before Finance Costs and Tax	95974.35	100400.14
Less: Finance Costs	868.45	510.66
Profit before Tax	95105.90	116797.62
Less: Tax Expense (Current & Deferred)	25498.99	24068.27
Profit for the year	69606.91	92729.35
Balance of profit/loss for earlier years	(314541.99)	(407271.34)
Less: Transfer to Reserves	–	–
Balance carried forward	(244935.08)	(314541.99)

CONSOLIDATION OF ACCOUNTS

In pursuance of the provision of Companies Act, 2013, and the rules framed thereunder, SEBI LODR Regulations, 2015 and applicable Accounting Standards the Company has prepared Consolidated Financial Statements. The Audited Consolidated Financial Statements alongwith Auditor's report and statement containing salient features of the financial statement of Associate Company (AOC-1) forms part of the Annual Report.

REVIEW OF OPERATIONS & FUTURE OUTLOOK

The Company always adhere to achieve best in the industry and try to optimize the cost and its efficiency level which translating into profit margins. The Company has generated revenue from operations from trading activities during the year. The Company has dealt in trading of fiber cables amounting to Rs. 14.61 crore during the FY 2019-20. Apart from trading activities, the Company also generated income from interest on Inter-Corporate Deposits, trading in Mutual Funds and other miscellaneous incomes.

The Company has been carrying on the real estate and other non-financial activities since its incorporation. However, for the financial year ended 31st March 2019 and 31st March 2020, the Company's financial assets constituted more than 50 per cent of its total assets and the income from financial assets also constituted more than 50 per cent of its gross income, resulting in meeting the '50-50' test for determining financial activity as a principal business and accordingly as per press release 1998-99/1269 dated 8th April 1995, it got covered under the definition of Non-Banking Finance Company (NBFC).

Accordingly, the Company had decided to make an application with RBI, Chandigarh for obtaining the registration as NBFC vide Board Resolution dated 26th July 2019 and also decided not to enter into any fresh financial activity w.e.f. 26th July 2019 and only the financial transactions prior to 26th July, 2019 were continuing since then.

However, the Board of the Directors of the Company decided not to proceed further with the registration as NBFC, considering the fact that meeting the '50-50' criteria was a one-time event on account of temporary reasons viz. business cycles etc. and that the Company intends to continue only non-financial activity as its principal activity.

As, the Company intends to continue with the non-financial activities as its principal business in current year and future years, it was decided to approach RBI, based on legal advice, to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the Company and as such seek condonation for default in not filing application with RBI for registration as NBFC and

Oswal Agro Mills Limited

regularization of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934.

Accordingly, the Company has filed the application seeking exemption with RBI, dated 13th August 2020 and the same is under process.

Furthermore, the Company is actively trading in agricultural products in financial year 2020-21 and has traded in commodities to the tune of Rs. 7.62 crore till the date of this report and will continue to deal in non-financial activities as principal business activity.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of your Company during the year.

SUBSIDIARY COMPANY AND ASSOCIATES

During the year, the Company has no subsidiary within the meaning of Section 2(87) of the Companies Act, 2013.

ASSOCIATE

The Company has one associate namely Oswal Greentech Limited.

DIVIDEND

With a view to conserve the resources for the business plans of the Company, 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.

TRANSFER TO RESERVE

There is no amount proposed to be transferred to reserves.

MATERIAL CHANGES

There are no material changes to report for.

MATERIAL INFORMATION

One of the Shareholder of the Company had filed a petition Under Section 241, 242 read with 244 of the Companies Act, 2013 against the Company alleging acts of oppression and mismanagement before the Hon'ble National Company Law Tribunal (NCLT), Chandigarh. The Company had challenged this petition on grounds of non-maintainability before the Hon'ble Supreme Court of India, on being aggrieved by the orders of NCLT, Chandigarh and National Company Law Appellate Tribunal, New Delhi (NCLAT), New Delhi.

The Apex Court has accepted the contention of the Company and has vide its order dated 6th July 2020 dropped all the proceeding before Hon'ble NCLT Chandigarh and has also set aside the order of Hon'ble NCLAT, New Delhi. It further emphasized on the fact that the petition filed by one of the shareholder of the Company, prima facie, does not appear to be a case of oppression and mismanagement.

REPORT ON THE HIGHLIGHTS OF PERFORMANCE OF ASSOCIATE COMPANY AND ITS CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY**Oswal Greentech Limited (Associate Company)**

Oswal Greentech Limited (OGL) is a listed Company incorporated and domiciled in India and has its principal place of business at 7th Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi-110001. Its shares are listed and traded on the BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). The principal business of the associate Company is trading and development of real estate projects. Further, the OGL also invests its surplus funds as interest bearing inter-corporate deposits. During the year, OGL has recorded total revenue of ₹ 11,715.60 Lakhs and profit after tax of ₹ 7,145.73 Lakhs.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. Agarwal & Dhandhanian, Chartered Accountants (Firm Registration No. 125756W) were appointed as Statutory Auditors of the Company for a term of five (5) consecutive years, to hold office from the conclusion of the 37th Annual General Meeting (AGM) held on 28th September, 2017 until the conclusion of 42nd AGM of the Company to be held in the calendar year 2022, subject to annual ratification by members at every AGM, on such remuneration as may be decided by the Audit Committee of the Board. However, as per the Companies Amendment Act, 2017, the requirement of annual ratification has been omitted. Accordingly, the ratification of their appointment shall not be placed before the shareholders, in the ensuing AGM.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014 prescribed there under, the Company has received certificate from the Auditors to the effect, inter-alia, that their appointment would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

REPORT OF STATUTORY AUDITORS

M/s Agarwal & Dhandhania, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the financial year 2019-20, which forms part of the Annual Report 2019-20. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory. The Auditors' have issued their qualified report for the financial year 2019-20. The auditors' remarks on their qualified opinion and management comments on the auditors' qualified opinion are given herein under:

Auditors' remarks: The Company has become a Non-Banking Finance Company (NBFC) w.e.f. 01st April 2019. However, the Company has neither filed an application with RBI for its registration as NBFC nor complied with the relevant rules and regulations applicable to an NBFC. Further, the financial statements for the financial year 2019-20 are not prepared in accordance with division III of Schedule III to the Companies Act 2013 as applicable to an NBFC.

In this regard, the Company is in process to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the Company and as such seek condonation for default in not filing application with the Reserve Bank of India, Chandigarh (RBI) for registration as NBFC and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934. The effects on the standalone financial statements of the aforesaid non-compliances cannot be determined.

Management comments: As on 31st March 2019 and 2020, the Company's financial assets constituted more than 50 per cent of its total assets and the income from financial assets also constituted more than 50 per cent of its gross income, resulting in meeting the '50-50' test for determining financial activity as a principal business. Accordingly, during the year, the Company had decided to make an application with RBI for obtaining the registration as NBFC vide board resolution dated 26th July 2019 and also decided not to enter into any fresh financial activity w.e.f. 26th July 2019, since only the financial transactions prior to 26th July 2019 were continuing.

However, the Board later on decided, in its meeting dated 7th February 2020, not to proceed further with the registration as NBFC, considering the fact that meeting the '50-50' criteria was a one-time event on account of temporary reasons viz. business cycles etc. and that the Company intended to continue only non-financial activity as its principal activity. In fact, during the financial year 2019-20, the Company had undertaken substantial non-financial/trading transactions, but due to the ongoing COVID- 19 pandemic and the subsequent nationwide lockdown, the total income of the Company from the non-financial activities could not be more than 50 per cent of the gross income for the financial year 2019-20 as was envisaged by its Board of Directors in their meeting held on 7th February 2020. Further, the Company has not accepted any public deposits, nor does it have any liability to Banks/Financial Institutions.

As, the Company intends to continue with the non-financial activities as its principal business, it was decided to approach RBI, based on legal advice, to seek condonation for default and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to an NBFC as per the Reserve Bank of India Act, 1934. Consequently, the financial statements and the disclosures for financial year 2019-20 have been prepared in accordance with Division II of Schedule III to the Companies Act, 2013 applicable to Non-NBFCs.

The Company has filed the application seeking exemption with RBI, Chandigarh dated 13th August 2020 and the same is under process.

Furthermore, the Company is actively trading in agricultural products in financial year 2020-21 and has traded in commodities to the tune of ₹ 7.62 crore till the date of this directors' report and will continue to engage in non-financial activities as its principal business activity.

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 2019-20 and their report is annexed to this report as Annexure-I.

S. NO.	Auditor's Remark	Management comments
1.	The Company is in violation w.r.t. delayed submission of consolidated financial results for quarter and half year ended 30 th September 2019 in terms of Regulation 33(3)(b) of SEBI (LODR) Regulations, 2015. The due date to submit the financial results for the quarter and half year ended 30 th September 2019 was 14 th November 2019. However, the Company submitted the consolidated financial statements to the stock exchange for the said quarter with a delay of 29 days (i.e. on 13 th December 2019).	The Company had submitted the standalone financial results for the quarter and half year ended 30 th September 2019 to the Stock Exchange on 21 st October 2019 which were approved by the Board in the meeting held on that day along with the limited review report of Auditors. Whereas the consolidated results for the said quarter were not submitted at that point of time due to inadvertence. The Company had accepted the violation w.r.t. delayed submission of consolidated financial results for quarter and half year ended 30 th September 2019. For this purpose, the Company had conducted another Board meeting on 13 th December 2019 and submitted consolidated results along with limited review report to the Stock Exchange on said date. The Company is always regular in submission of its financial results within stipulated time-period to make its investors aware about the financial health of the entity and to evaluate the performance of the entity to make further investment decisions.

2.	The Company is in violation w.r.t. delayed submission of shareholding pattern in terms of Regulation 31 and statement of shareholders complaints in terms of Regulation 13(3) as required under SEBI (LODR) Regulations, 2015 for the quarter or year ended 31 st March 2020.	The Company had submitted the shareholding pattern in terms of Regulation 31 of SEBI (LODR) Regulations, 2015 with a delay of 1 day and statement of shareholders complaints in terms of Regulation 13(3) of SEBI (LODR) Regulations, 2015 with a delay of 2 days to the Exchange. The Company had placed this matter before the Board of Directors of the Company in their meeting held on 25 th June 2020. The Company has always been regular in submission of information and the requisite filings within stipulated time-period to make its investors aware about the Company. The Board ensures that due care shall be taken to make the timely submission of all necessary information and filings to the exchange in future.
3.	The Secretarial auditors have also qualified their report on the ground that the Company is meeting the principal business criteria for determining financial activity as a principal business and therefore, it was required to make an application to the Reserve Bank of India for obtaining the status of an NBFC Company. However, no such application was made by the Company to the Reserve Bank of India in terms of Section 45-IA of the Reserve Bank of India Act, 1934	The management has already shared their comments on this remark, as above.

M/s CT & Company, Company Secretaries have been re-appointed to conduct the secretarial audit of the Company for the financial year 2020-21. They have confirmed that they are eligible for the said appointment.

INTERNAL AUDITORS AND THEIR REPORT

In accordance with provisions of section 138 of the Companies Act, 2013, the Company has appointed Internal Auditors who directly reports to the Audit Committee. Internal Audit Reports are submitted to the Audit Committee which review the Audit Reports and suggest necessary action.

M/s T R Chadha & Co. LLP (FRN : 006711N), Chartered Accountants, New Delhi are the Internal Auditors of the Company for Financial Year 2020-21

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. The same is available on the website of the Company i.e. www.oswalagromills.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Smt. Shikha Jain (DIN 02615074) was appointed as Non-Executive Independent Director of the Company for the 2nd consecutive term of 5 years commencing from 28th May 2020 in the Annual General Meeting of the Company held on 25th September 2019.

During the year, Shri Bhola Nath Gupta (DIN 00562338) was re-appointed as Chief Executive Officer and Wholetime Director of the Company w.e.f. 1st October, 2019 to 30th September, 2022 in the Annual General Meeting of the Company held on 25th September 2019.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

As on 31st March 2020, the Key Managerial Personnel of the Company are: Shri Bhola Nath Gupta, Chief Executive Officer and Wholetime Director, Shri Parveen Chopra, Chief Financial Officer and Shri Gopal, Company Secretary.

DECLARATION FROM INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as Independent Directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. that in preparation of the annual accounts, the applicable accounting standards had been followed and no material departures have been made from the same;
- 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 profit 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 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 Financial Year 2019-20.

AUDIT COMMITTEE

The composition of the Audit Committee is in compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee has met 5 times and reviewed the financial statements for each quarter/ financial year ended 31st March 2020 and has not given any adverse observations.

All recommendations of Audit Committee were accepted by the Board of Directors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year ended 31st March 2020, as stipulated under Regulation 34 of SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

Corporate Governance is the system of rules, practices and processes through which objectives of a corporate entity are set and pursued in the context of the social, regulatory and market environment.

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has a strong legacy of fair, transparent and ethical governance practices. The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) of of sub-regulation (2) of regulation 46 of Listing Regulations, 2015 as applicable, with regard to Corporate Governance.

A certificate from Secretarial Auditors of the Company regarding compliance under Regulation 34(3) read with Schedule V of SEBI (LODR), Regulations, 2015 of the conditions of Corporate Governance, is attached to the Corporate Governance Report, which forms part of the Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of 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 under section 197 of Companies Act, 2013 read with rules made thereunder during the financial year.

NUMBER OF MEETINGS OF THE BOARD

The Board met 7 (seven) times during the Financial Year 2019-20, 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 UNDER SECTION 186 OF COMPANIES ACT, 2013

Particulars of loans given are provided under Note No. 40 to the standalone financial statement. Particulars of investment made are provided under Note No. 5, 6 and 12 to the Financial Statements 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 OF COMPANIES ACT, 2013

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 at 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 2019-20 being arm's length transaction have been reported and annexed as Note No. 38 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

In terms of Section 134(3)(n), the Company has formulated a risk management policy which laid down the procedures to inform board members about risk assessment and minimization procedure.

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 contributes :

1. Eradicating hunger, poverty and malnutrition.
2. Preventive health care.
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 required to be spent on CSR activities by the Company during the year. However, the Company has contributed an amount of ₹ 51 lakhs towards CSR during the year under review.

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 1st April 2019 to 31st March 2020. Our management assessed the effectiveness of the Company's internal control over financial reporting as on March 31st 2020.

M/s Agarwal & Dhandhanian (FRN : 125756W), Chartered Accountants, the Statutory Auditors has audited the financial statements of the Company for financial year 2019-20. 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 on 31st March 2020, our internal financial controls were adequate and operating effectively.

SECRETARIAL STANDARDS

During the year, the Company has complied with the provisions of Secretarial Standards issued by the Institute of Company Secretaries of India to the extent applicable to the Company.

COST RECORDS

As required under Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014, the Company confirms that maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company.

DISCLOSURE ON VIGIL MECHANISM

Your Company is deeply committed to highest standards of ethical, moral and legal business conduct. It ensures that it provide a respectful working environment not only for all its employees, but for all external parties too. Accordingly, the Board of Directors has formulated Vigil Mechanism Policy which is in compliance with the provisions of Section 177(10) of Companies Act, 2013 and thus, established a vigil mechanism through which Directors, Employees and Business Associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. All Directors, Employees, Business Associates have direct access to the Chairman of the Audit committee.

CODE OF CONDUCT

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has in place the policies/codes which are revised from time to time according to applicable laws or as per need. The members of the Board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended 31st March 2020. The annual report of the Company contains a certificate by the CEO and Wholetime Director in terms of Listing Regulations on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

DISCLOSURE UNDER 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.

The following is a summary of sexual harassment complaints received and disposed of during the year:

- (a) Number of complaints pending at the beginning of the year - Nil
- (b) Number of complaints received during the year - Nil
- (c) Number of complaints disposed off during the year - Nil
- (d) Number of cases pending at the end of the year - Nil

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 BSE Ltd. (BSE), National Stock Exchanges of India Ltd. (NSE), Delhi Stock Exchange Ltd. (DSE), Calcutta Stock Exchange Ltd. (CSE), Ahmedabad Stock Exchange Ltd (ASE), the U.P. Stock Exchange Ltd. (UPSE) and Madras Stock Exchange Ltd. (MSE).

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

The shares are actively traded on NSE and BSE and have not been suspended from trading.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government, Regulatory Authorities and Stock Exchanges, for their continued support.

By Order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Date : 28.08.2020

Dr. Aruna Oswal
Chairperson
DIN: 00988524

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

Annexure-I

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, 2020, 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 2020 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 to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- 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, 2018;
- 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;
- 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 (Share Based Employee Benefits) Regulations, 2014 - 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, 2018 - Not Applicable

We have also examined compliance with the applicable Clauses/Regulations 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 except the following:

- i) *The Company is in violation w.r.t. delayed submission of consolidated financial results for quarter ended 30th September 2019 in terms of Regulation 33 (3) (b) of SEBI (LODR) Regulations, 2015. The due date to submit the financial results for the quarter and year ended 30th September 2019 was 14th November 2019. However, the company submitted the consolidated financial statements to the stock exchange for the said quarter with a delay of 29 days (i.e. on 13th December 2019).*

Oswal Agro Mills Limited

- ii) *The Company is in violation w.r.t. delayed submission of shareholding pattern in terms of Regulation 31 and statement of shareholders complaints in terms of Regulation 13(3) as required under SEBI (LODR) Regulations, 2015 for the quarter or year ended 31st March 2020.*

We further report that:

The company is meeting the principal business criteria for determining financial activity as a principal business and therefore, it was required to make an application to the Reserve Bank of India for obtaining the status of an NBFC company. However, no such application was made by the company to the Reserve Bank of India in terms of Section 45-IA of the Reserve Bank of India Act, 1934. Further, the financial statements for the financial year 2019-20 are not prepared in accordance with division III of Schedule III to the Companies Act 2013 as applicable to an NBFC.

In this regard, the company is in process to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the company and as such seek condonation for default in not filing application with RBI for registration as NBFC and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934.

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.
- 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.

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 16406

Membership No. 44577

UDIN: A044577B000628633

Place : New Delhi

Date : 28.08.2020

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.

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

Place : New Delhi
Date : 28.08.2020

Shivam Garg
Partner
COP 16406
Membership No. 44577
UDIN: A044577B000628633

Form No. MGT-9
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2020

[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: +91-11-23716276 (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 No. +91-11-40450193-97 E-mail: compliances@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.	Investing	64990	63.95%
2.	Trading	46909	36.04%

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 Greentech Limited (Associate) Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Pb.)	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									
<i>1) Indian</i>									
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	-

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
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corporate	-	-	-	-	-	-	-	-	-
j) Banks/Fl	-	-	-	-	-	-	-	-	-
k) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	15200	15200	0.01	15200	15200	0.01	-	-
b) Banks/Fl	3398960	85309	3484269	2.60	3399788	85309	3485097	2.60	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Flls	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	3398960	100509	3499469	2.61	3399788	100509	3500297	2.61	-
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	14056474	6811751	20868225	15.55	14487577	6241387	20728964	15.44	(0.11)
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	19525237	17374685	36899922	27.49	19480846	16961759	36442605	27.15	(0.34)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	12520285	304875	12825160	9.56	13080459	283903	13364362	9.96	0.40
c) Others (Specify)									
(i) N.R.I.(REPT & NON-REPT)	636698	235478	872176	0.66	696049	234408	930457	0.69	0.03
(ii) Public Trust	23430	-	23430	0.02	23430	-	23430	0.02	0.00
(iii) Corporate Bodies-OCB	-	110900	110900	0.08	-	-	-	-	(0.08)
(iv) Hindu Undivided Family	2350710	50	2350760	1.75	2654050	50	2654100	1.97	0.22
(v) Clearing Members	459434	-	459434	0.35	304861	---	304861	0.23	(0.12)
(vi) Qualified Foreign Investor- Corporate	252018	-	252018	0.19	252018	-	252018	0.19	0.00
Sub-total(B)(2)	48494427	26206198	74700625	55.65	50979290	23721507	74700797	55.65	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	51894387	26306707	78201094	58.26	53262846	24938248	78201094	58.26	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	107928069	26306707	134234776	100	109296528	24938248	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.	Dr. 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)

There is no change in the promoters' (including Promoter Group) overall Shareholding during the Financial Year under reference

(iv) Shareholding pattern of Top 10 Shareholders 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	% of the Total Shares	No. of Shares	% of the Total Shares
1. TUSHAR HOLDINGS LTD								
	At the beginning of the year	01.04.2019	–	–	4628510	3.4481	4628510	3.4481
	Change during the year	–	–	–	–	–	4628510	3.4481
	At the end of the year	31.03.2020	–	–	4628510	3.4481	4628510	3.4481
2. RIVER FINANCE LIMITED								
	At the beginning of the year	01.04.2019	–	–	3330271	2.4809	3330271	2.4809
	Change during the year	05.07.2019	Purchase	9700	–	–	3339971	2.4882
	At the end of the year	31.03.2020	–	–	3339971	2.4809	3339971	2.4882
3. JALAVEG INVESTMENT AND TRADING CO LTD								
	At the beginning of the year	01.04.2019	–	–	3447709	2.57	3447709	2.57
	Change during the year	–	–	–	–	–	3447709	2.57
	At the end of the year	31.03.2020	–	–	3447709	2.57	3447709	2.57
4. SKA HOLDINGS LIMITED								
	At the beginning of the year	01.04.2019	–	–	2904967	2.1640	2904967	2.1641
	Change during the year	–	–	–	–	–	2904967	2.1641
	At the end of the year	31.03.2020	–	–	2904967	2.1640	2904967	2.1641
5. LIFE INSURANCE CORPORATION OF INDIA								
	At the beginning of the year	01.04.2019			2693170	2.0063	2693170	2.0063
	Change during the year	–	–	–	–	–	2693170	2.0063
	At the end of the year	31.03.2020			2693170	2.0063	2693170	2.0063
6. DENVER TRADING COMPANY PRIVATE LIMITED								
	At the beginning of the year	01.04.2019	–	–	1343097	1.0006	1343097	1.0006
	Change during the year	–	–	–	–	–	1343097	1.0006
	At the end of the year	31.03.2020	–	–	1343097	1.0006	1343097	1.0006

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	% of the Total Shares	No. of Shares	% of the Total Shares
7. HITESH RAMJI JAVARI								
	At the beginning of the year	01.04.2019	-	-	800000	0.5959	800000	0.5960
	Change during the year				-	-	800000	0.5960
	At the end of the year	31.03.2020	-	-	800000	0.5959	800000	0.5960
8. LUCKY STAR ENTERTAINMENT LTD								
	At the beginning of the year	01.04.2019	-	-	1259260	0.94	1259260	0.94
	Change during the year	-	-	-	-	-	1259260	0.94
	At the end of the year	31.03.2020	-	-	1259260	0.94	1259260	0.94
9. BHUPENDER P SHAH – HUF								
	At the beginning of the year	01.04.2019	-	-	614615	0.4579	614615	0.4579
	Change during the year	-	-	-	-	-	614615	0.4579
	At the end of the year	31.03.2020	-	-	614615	0.4578	614615	0.4579
10. RED STRIPE TRADING COMPANY PRIVATE LIMITED								
	At the beginning of the year	01.04.2019	-	-	600000	0.4470	600000	0.4470
	Change during the year	12.07.2019	Purchase	72	-	-	600072	0.4470
	At the end of the year	31.03.2020	-	-	600072	0.4470	600072	0.4470

(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.	Dr. 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, Wholtime Directors and/or Manager (₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Bhola Nath Gupta, CEO & Wholtime 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	25.76 - -	25.76 - -
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify - Provident Fund - Leave Encashment	1.74 -	1.74
6.	Total (A)	27.50	27.5
	Ceiling as per the Act	Within prescribed limit of Section IIA of Part II of Schedule V of Companies Act, 2013, and in terms of Special Resolution passed by the Company.	

B. Remuneration to other Directors: (in lakhs)

As on 31st March 2020, the Company has three Independent Directors i.e., Smt. Shikha Jain, Shri Mohinder Pal Singh and Shri Ramesh Kumar Khanna and two Non-Executive Non-Independent Directors i.e. Dr. Aruna Oswal and Shri Anil Bhalla but there is no remuneration paid by the company to the Directors other than Whole-time Director of the Company, except sitting fees for the meetings attended by Non-Executive Independent Directors.

Sr. No.	Particulars of Remuneration						Total Amount
		Aruna Oswal	Anil Bhalla	Shikha Jain	Mohinder Pal Singh	Ramesh Kumar Khanna	
1.	Independent Directors - Fee for attending Board Committee meetings - Commission - Others, please specify	- - -	- - -	2.85 - -	1.05 - -	1.65 - -	5.55 - -
	Total (1)	-	-	2.85	1.05	1.65	5.55
2.	Other Non-Executive Directors/ Non-Independent - Fee for attending Board Committee meetings - Commission - Others, please specify	- - -	- - -	- - -	- - -	- - -	- - -
	Total(2)	-	-	-	-	-	-
	Total(B)=(1+2)	-	-	2.85	1.05	1.65	5.55
	Total Managerial Remuneration (A+B)						33.05
	Overall Ceiling as per the Act	Within prescribed limit of Section IIA of Part II of Schedule V of Companies Act, 2013 and in terms of Special Resolution passed by the Company.					

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Praveen Chopra, CFO	Gopal, CS	
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	18.27 - -	3.88 - -	22.15 - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	- -	- -	- -
5.	Others, please specify - Provident Fund - Leave Encashment	1.21 --	0.30 -	1.51 --
6.	Total (A)	19.48	4.18	23.66

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences under the provisions of Companies Act 2013 for the year ending March 31st 2020.

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 & Wholetime Director	5.89:1
(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 & Wholetime Director	NIL
		b) Shri Parveen Chopra, Chief Financial Officer	5.07%
		c) Shri Gopal, Company Secretary	27.01%
(iii)	The percentage increase in the median remuneration of employees in the financial year.		11.32%
(iv)	The number of permanent employees on the rolls of the Company.		21
(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.	The average % managerial increase has been 10.70% while for others it is about 13.76%. The given ratios and percentage increase are based on the changes in total remuneration due to any change in allowances paid on actual basis to a managerial personnel or to any employee e.g. payment of LTA, medical allowances, leave encashment and overtime allowances etc.	
(xii)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.		

Particulars of Employees

Sl. No.	Name	Designation	Age (Yrs)	Qualification	Remuneration (Rs. in Lakhs)	Date of Commencement of Current Employment	Experience (Yrs)	Last Employment Held & Designation
1	Bhola Nath Gupta	CEO & Wholetime Director	70	B. Sc. Agri. Engg. MBA	27.50	01.04.2014	46	GM (Com.), Oswal Greentech Limited
2	Mahesh C Rawal	Manager Accounts	62	C A (Inter), B. Com	23.55	01.01.2017	36	Accounts Manager, Oswal Greentech Limited
3	Parveen Chopra	CFO	61	B. Com	19.48	01.04.2014	39	Accounts Manager, Oswal Greentech Limited
4	T R Jawaharlal	Officer on Special Duty	56	B. Com (HR)	19.39	01.06.2017	39	Officer on Special Duty, Oswal Greentech Limited
5	Gopal	Company Secretary	26	CS, B. Com	4.18	13.09.2016	05	Apprentice, RD & Associates Company Secretaries
6	Muktalal Bhurtal	Sr. Assistant	59	Inter	8.20	01.01.2017	37	Sr. Assistant, Oswal Greentech Limited
7	Vir Bahadur Singh	Supervisor	54	Inter	6.46	01.01.2017	27	Supervisor, Oswal Greentech Limited
8	Jayesh Kavalekar	Chauffeur	49	Inter	5.16	01.01.2017	21	Chauffeur, Oswal Greentech Limited
9	Noch Bahadur Mathara	Assistant	56	Inter	5.36	01.01.2017	29	Assistant, Oswal Greentech Limited
10	Vishnu Bhanudas Khulkhule	Sr. Accountant	38	B.com	5.08	01.01.2017	14	Sr. Accountant, Oswal Greentech Limited
11	Harish K Kotiyan	Sr. Supervisor	62	B.com	4.71	01.01.2017	34	Sr. Supervisor, Oswal Greentech Limited

Notes:

- Remuneration as shown above includes salary, allowances, medical reimbursement, leave travel assistance, company contribution to provident fund & monetary value of perquisites.
- Appointment of Shri Bhola Nath Gupta is on contractual basis only.

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

(₹ in thousand)

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 (Associate Company)	Office Rent and Maintenance paid	6 years	Lease agreement for using the premises of group Company	Mutual contract between two group Companies	05.02.2019	1590.00	NA
Aruna Abhey Oswal Trust	Rental Income	29 years and 11 months	Lease agreement for using the premises of the company	Mutual contract between the two group companies	24.05.2019	1800 (inclusive of taxes)	NA

For and on behalf of Board
Oswal Agro Mills Limited

Place : New Delhi
Date : 28.08.2020

Dr. Aruna Oswal
Chairperson
DIN: 00988524

POLICY ON APPOINTMENT AND REMUNERATION OF BOARD MEMBERS

Annexure-V

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 recommend the remuneration for the Non-Executive Directors and Wholtime 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 2019-20

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 programs 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 provide residential houses to the weaker section of society.

The Composition of CSR Committee

CSR Committee consists of Dr. Aruna Oswal (Chairperson), Shri Anil Bhalla, Non-Executive Director 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:

Sr. No.	Financial Year	Profit before Tax (₹ in thousand)
1.	2018-19	1,24,928.62
2.	2017-18	42,856.01
3.	2016-17	(49,177.34)

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : 790.72 thousand**5. Details of CSR spent during the financial year**

a. Total amount spends from (April 2019 - March 2020) : ₹ 51 Lakhs [The funds were contributed by the company towards PM CARES fund for COVID-19 relief]

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
Date : 28.08.2020

Dr. Aruna Oswal
Chairperson
DIN: 00988524

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the system of rules, practices and processes through which objectives of a corporate entity are set and pursued in the context of the social, regulatory and market environment. It essentially involves balancing the interests of various stakeholders, such as shareholders, Management, customers, suppliers, financiers, Government and the community.

At Oswal, good governance practices forms part of business strategy which includes, inter alia, focus on long term value creation and protecting stakeholders interests by applying proper care, skill and diligence to business decisions.

The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long-term shareholders value

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The cardinal principles of the Corporate Philosophy of Oswal Agro Mills Limited on the Corporate Governance can be summarized in the words -Transparency, Professionalism and Accountability with an ultimate aim of value creation.

A report on the matters and the practice followed by Oswal Agro Mills Limited is detailed herein below:

2. 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 20 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. None of the directors of the company has attained the age of seventy-five years and acting as a non-executive director of the company.

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 2020 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 (including this company)	No. of Membership in Board Committees		Attendance at the Last AGM
							As Chairman	As Member	
Dr. Aruna Oswal	00988524	Director	Promoter/ NENI	7	7	3	2	6	No
Shri Anil Bhalla	00587533	Director	NENI	7	7	2	1	7	No
Shri Bhola Nath Gupta	00562338	CEO & WTD	ENI	7	7	1	-	-	Yes
Smt. Shikha Jain	02615074	Director	NEI	7	7	2	-	4	No
Shri Mohinder Pal Singh	08155393	Director	NEI	7	3	1	2	-	Yes
Shri Ramesh Kumar Khanna	08166297	Director	NEI	7	5	1	-	2	No

The names of the listed entities where the person/Board member of the company is a director and the category of directorship

Name of Directors	DIN No.	Other Directorships	
		Name of the listed Entity	Category
Dr. Aruna Oswal	00988524	Oswal Greentech Limited	Wholetime Director/ Chairperson
Shri Anil Bhalla	00587533	Oswal Greentech Limited	CEO and Managing Director
Shri Bhola Nath Gupta	00562338	–	–
Smt. Shikha Jain	02615074	–	–
Shri Mohinder Pal Singh	08155393	–	–
Shri Ramesh Kumar Khanna	08166297	–	–

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

During the year, Seven Board Meetings were held on 24.05.2019, 26.07.2019, 09.08.2019, 21.10.2019, 29.11.2019,13.12.2019 and 07.02.2020. The maximum time gaps between two consecutive Board Meetings are not more than 120 days.

In addition to above, during the financial year 2019-20 the Independent Directors met at once on 9th August, 2019 in order to inter-alia, review the performance of Non-Independent Directors including that of the Chairperson taking into account the views of the Executive and Non-Executive Directors, assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters. All the Independent Directors attended the said meeting.

d) Relationship between Directors inter-se:

No Director of the Company is related to any other Director on the Board.

e) Certificate from Company Secretary in practice:

A certificate from M/s. C T & Co., Company Secretaries in practice, that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

f) 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.

g) Number of shares and convertible instruments held by non-executive directors:

As on 31st March 2020, the Company has issued 13,42,34,776 Equity Shares having face value of Rs.10/- per share. The company has not issued any convertible instruments till date.

S.No.	Name of Directors	DIN	Equity Shares held as on 31 st March 2020
1	Dr. Aruna Oswal	00988524	5,60,26,460 Shares (41.74%)
2	Shri Anil Bhalla	00587533	–
3	Shri Bhola Nath Gupta	00562338	–
4	Smt. Shikha Jain	02615074	–
5	Shri Mohinder Pal Singh	08155393	–
6	Shri Ramesh Kumar Khanna	08166297	–

h) Familiarization Program for Independent Directors

The Company has conducted the familiarisation program for Independent Directors during the year. The Program aims to provide insights of the Company to the Independent Directors which also extends to Non-Executive Directors before their joining, so as to enable them to understand the Company, operations of its business, subsidiaries, associates, industry and environment in which the Company functions and also to update them on a continuing basis on any significant changes therein so as to be in a position to take well-informed and take timely decisions. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at https://www.oswalagromills.com/policy/Familiarization_Program.pdf

i) Independent Directors

As on 31st March 2020, there were 3 Independent directors in the company viz. Smt. Shikha Jain, Shri Mohinder Pal Singh and Shri Ramesh Kumar Khanna. They have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI LODR

Regulations. 2015 read with Section 149(6) of the Act. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI LODR Regulations and that they are independent of the management.

j) Skills, expertise and competence of the board of directors

The skills and expertise required from individuals for the office of Directors of the Company are:

1. Strategy & Business Leadership - Ability to identify and assess strategic opportunities and threats in the context of the business.
2. Sector Expertise - Expertise with respect to the sector the organization operates in. Ability to recognize the development of industry segments, trends, emerging issues and opportunities.
3. Market Expertise - Expertise with respect to the geography the organization operates in. Understanding of the micro and macro-economic environment and the knowledge of the regulations & legislations of the market/(s) the business operates in.
4. Human Resource Management - Experience in human resource management such that they bring in a considered approach to the effective management of people in an organization.
5. Corporate law - Expert knowledge of corporate law and related laws.
6. Governance, Finance & Risk - Understanding of Business and Corporate Governance principles. Ability to identify key risks areas for the business in a wide range of areas including legal and regulatory.
7. Basic understanding of Finance and Business.

The matrix below highlights the skills and expertise required from individuals for the office of Directors of the Company. These skills and expertise are currently available with the Board of the Company which has been mapped below.

Key Skill Area	Name of the Directors					
	Dr. Aruna Oswal	Shri Anil Bhalla	Smt. Shikha Jain	Shri BN Gupta	Shri RK Khanna	Shri MP Singh
Strategy/Business Leadership	Y	Y	Y	Y	Y	Y
Sector Expertise	Y	Y		Y	Y	Y
Market Expertise	Y	Y		Y	Y	Y
Human Resource Management	Y	Y	Y	Y	Y	Y
Corporate law				Y	Y	Y
Governance, Finance & Risk	Y	Y	Y	Y	Y	Y
Basic understanding of Finance and Business	Y	Y	Y	Y	Y	Y

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
- 4) Corporate Social Responsibility Committee
- 5) Share Transfer 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 oversees 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 statutes.

(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, re-appointment 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, Name of Members and Chairperson

The Audit Committee comprises of Non-Executive Non-Independent (NENI) and Non-Executive Independent Directors (NEID) viz. Dr. Aruna Oswal, Smt. Shikha Jain, Shri Ramesh Kumar Khanna and Shri Mohinder Pal Singh. The Audit Committee Meeting was Chaired by an Independent Director in respective meeting. The composition of Audit Committee as on 31st March 2020 is as under: -

Name of Directors	Position	Category
Shri Mohinder Pal Singh	Chairperson	NEID
Dr. Aruna Oswal	Member	NENID
Smt. Shikha Jain	Member	NEID
Shri Ramesh Kumar Khanna	Member	NEID

All the members of the Audit Committee are knowledgeable in the Corporate, Finance, Accounts and Company matters. The Statutory Auditors and Internal Auditors were 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 five times during the year on 24.05.2019, 09.08.2019, 21.10.2019, 13.12.2019 and 07.02.2020 The name of Members and their attendance at the Audit Committee Meeting as at 31st March, 2020, is as under:

Name of Directors	Category	Meetings Attended
Dr. Aruna Oswal	NENID	5
Smt. Shikha Jain	NEID	5
Shri Mohinder Pal Singh	NEID	3
Shri Ramesh Kumar Khanna	NEID	5

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 and Smt. Shikha Jain. Shri Anil Bhalla, Non-Executive Non-Independent Director of the Company is heading the committee. Gopal, Company Secretary of the Company acts as the Compliance Officer of the committee.

(c) Attendance during the year

The Stakeholders' Relationship Committee met twice during the year on 23.05.2019 and 13.12.2019. 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	2
Shri Bhola Nath Gupta	Executive and Non-Independent	1
Smt. Shikha Jain	Non-executive Independent	2

Details of Complaints

During the financial year, the status of the complaints received and cleared were as follows:

No. of complaints received during 01.04.2019 to 31.03.2020	No. of complaints resolved to the satisfaction of shareholders	No. of pending transfer of shares
9	9	NIL*

*As on date, there are no shares pending for transfer except disputed cases or where restrain order is still pending.

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 name of members

As on 31st March 2020 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 2020 is as under:

S. No.	Name of Members	Designation
1.	Shri Mohinder Pal Singh (Chairperson)	Non-Executive Independent Director
2.	Dr. Aruna Oswal	Non-Executive Non-Independent Director
3.	Shri Anil Bhalla	Non-Executive Non-Independent Director
4.	Smt. Shikha Jain	Non-Executive Independent Director

During the financial year 2019-2020, two meeting of the Nomination & Remuneration Committee was held on 21st May 2019 and 8th October 2019.

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 Mohinder Pal Singh (Chairperson)	NEID	0
2.	Dr. Aruna Oswal	NENID	2
3.	Shri Anil Bhalla	NENID	2
4.	Smt. Shikha Jain	NEID	2

The remuneration paid to the directors during the financial year were reviewed by the committee.

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 except Dr. Aruna Oswal, is holding any Equity Shares in the Company. Dr. Aruna Oswal is holding 5,60,26,460 (41.74%) Equity Shares in the company.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The service contract of the Executive Director & Chief Executive Officer of the Company is for a period of three years, with a notice period of three months. All independent directors are appointed for a period of 5 years commencing from the original date of their appointment.

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 2020 are given below:

(₹in lakh)

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	25.75	1.74	--	-
2.	Shri Praveen Chopra	18.27	1.21	--	-
3.	Smt. Shikha Jain	-	-	-	2.85
4.	Shri Mohinder Pal Singh	-	-	-	1.05
5.	Shri Ramesh Kumar Khanna	-	-	-	1.65

The Criteria for evaluation of performance of Independent Directors and the Board are as follows:

Executive Director

The Executive Director shall be evaluated on the basis of targets/Criteria given to executive Directors by the board from time to time

Non-Executive Directors (including Independent Directors)

The Non-Executive Directors (including Independent Directors) shall be evaluated on the basis of the following criteria:

Remuneration/Commission

The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013 and rules made there under for the time being in force.

Sitting Fees

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Limit of Remuneration/Commission

Remuneration/Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 11% of net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

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, 2020 is given in Annexure-VI of Board Report attached in the Annual Report of the Company.

Share Transfer Committee

The Board has constituted a Share Transfer Committee ("STC") which looks after all the compliances regarding transfer of shares, issuance of duplicate share certificates, rematerialization/dematerialization of Shares, transmission of shares and other shares related activities on frequent basis.

3. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

For the Year	2016-17	2017-18	2018-19
Annual General Meeting	37 th	38 th	39 th
Date & Time	28.09.2017 & 12.30 P.M.	27.09.2018 & 12.30 P.M.	25.09.2019 & 12:00 Noon.
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	NA	Yes 1. Authority to give loans, guarantee and/or make investment under section 186 of the Companies Act, 2013, read with rules.	Yes 1. Appointment of Smt. Shikha Jain (DIN 02615074) as a non-executive independent director of the company for 2nd consecutive term of 5 years 2. Appointment of Shri Bholu Nath Gupta (DIN 00562338) as Chief Executive Officer and Wholetime Director 3. Maintenance of the register of members, annual returns and related books at a place other than the registered office of the company

There was no special resolution put through postal ballot in the last Annual General Meeting (AGM) of the Company held on 25.09.2019. 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 as 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 except the following, no other penalties except the penalties mentioned below were imposed on the company by the Stock Exchange or SEBI or any Statutory Authority on any matter related to the capital markets.

Quarter	September 30, 2019
Regulation of LODR	Reg.33 (Financial results)
Violation	Delayed submission of consolidated financial results for quarter and half year ended September 30, 2019.
Days of non-compliance	For quarter ended September 30, 2019 - 29 days
Fine levied	For quarter and half year ended September 30, 2019 - Rs. 1,45,000/-

Quarter	March 31, 2020
Regulation of LODR	Reg.31 (Shareholding Pattern)
Violation	Delayed submission of Shareholding Pattern for quarter and year ended March 31, 2020
Days of non-compliance	For quarter ended March 31, 2020 - 1 day
Fine levied	For quarter ended March 31, 2020 - Rs. 2,000/-

Quarter	March 31, 2020
Regulation of LODR	Reg.13(3) (Grievance Redressal Mechanism)
Violation	Delayed submission of statement of shareholders complaints for quarter ended March 31, 2020
Days of non-compliance	For quarter ended March 31, 2020 - 2 day
Fine levied	For quarter ended March 31, 2020 - Rs. 2,000/-

- 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. The Company has followed accounting principles generally accepted in India, including the Indian Accounting Standard (Ind-AS) as specified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provision of the Act. The Company has uniformly applied the Accounting Policies during the period presented. Kindly refer to note no. 2 of the financial statements (standalone and consolidated) for significant accounting policies adopted by the Company.
- v. The subsidiary of the Company namely M/s. 'Oswal Overseas Ltd.' at UAE has been liquidated w.e.f. 28th February 2018.
- 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/Vigil Mechanism Policy:** The Company has adopted a Whistle Blower Policy/Vigil Mechanism Policy and has established the necessary mechanism for employees to report to the management, concerns, about unethical 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, 2015. Further, no member of staff has been denied access to the Audit Committee.
- viii. **Compliance with Mandatory Requirements**
The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2019-20. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the Compliance Officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.
- ix. **Adoption of Discretionary Requirements**

- **Maintenance of the Chairperson's Office**

The Company maintains the office of Non-Executive Chairperson and provides for reimbursement of expenses incurred in performance of her duties, if required.

- **Modified opinion(s) in Audit Report**

The auditors have expressed a modified/qualified opinion on the financial statements of the Company.

Basis for qualified opinion: The company has become an NBFC w.e.f 01.04.2019. However, the company has neither filed an application with RBI for its registration as NBFC nor complied with the relevant rules and regulations applicable to an NBFC. Further, the financial statements for the FY 2019-20 are not prepared in accordance with division III of Schedule III to the Companies Act 2013 as applicable to an NBFC.

In this regard, the company is in process to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the company and as such seek condonation for default in not filing application with RBI for registration as NBFC and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to an NBFC as per the Reserve Bank of India Act, 1934.

The effects on the standalone financial statements of the aforesaid non-compliances cannot be determined.

- **Separate posts of Chairperson and CEO**

Separate persons have been appointed by the Company to the post of Chairperson and CEO.

- **Reporting of Internal Auditors**

The Internal Auditors of the Company report directly to the Audit Committee.

- x. **Policy for determining Material Subsidiary**

As required under SEBI LODR Regulations, 2015 the Company has formulated a Policy for determining 'material' subsidiaries which has been put up on the website of the Company at https://www.oswalagromills.com/policy/POLICY_FOR_DETERMINING_MATERIAL_SUBSIDIARY.pdf

- xi. **Materially significant related party transaction**

All transactions entered into during the financial year 2019-20 with Related Parties as defined under the Act and SEBI LODR Regulations were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant related party transactions, i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts - Note No. 38 forming part of the Standalone financial statements. As required under Regulation 23 of SEBI LODR Regulations, the Company has formulated a Related Party Transaction's Policy which is available on the website of the Company at https://www.oswalagromills.com/policy/Related%20Party%20Transaction_OAML.pdf

xii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the company.

The following is a summary of sexual harassment complaints received and disposed of during the year:

- (a) Number of complaints pending at the beginning of the year - Nil
- (b) Number of complaints received during the year - Nil
- (c) Number of complaints disposed off during the year - Nil
- (d) Number of cases pending at the end of the year - Nil

xiii. The commodity price risk or foreign exchange risk and hedging activities

There is no hedging activity undertaken by the company as the company is not majorly involved in Foreign Exchange Transactions.

xiv. Details of utilisation of funds raised through preferential issue

The company has not raised any funds through preferential issue during the year ended 31st March 2020.

xv. Audit Fees

The company has paid INR 5,90,000 towards audit fee to the statutory auditors during the financial year 2019-20. No amount was paid towards any other services to the firm of statutory auditors or its network firms.

xvi. The Board of directors of the company had accepted all the recommendations made by any of the committee of the board during the year ended 31st March 2020.

xvii. Details of Demat Suspense Account

As per Part F of Schedule V of SEBI LODR Regulations, there is no such share which is in the demat suspense account or unclaimed suspense account of the company.

xviii. Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

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 25.06.2020.

7. CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES/CODE OF CONDUCT

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has in place the policies/codes which are revised from time to time according to applicable laws or as per need. The members of the Board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended 31st March 2020.

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. forms part of the notice of 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 displayed its quarterly/annual results on its website on www.oswalagromills.com. Further, the annual reports containing audited standalone and consolidated financial statements of the Company together with Directors' Report, Auditors' Report and other important information are circulated to the members and others entitled thereto.

10. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting during Financial Year 2020-21 is proposed to be held:

Date & Time	:	28 th September 2020 at 12:00 PM (IST)
Day	:	Monday
Deemed venue	:	Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab)
Book Closure Date	:	22 nd September, 2020 to 28 th September, 2020 (both days inclusive)
Dividend Payment	:	The Directors have not proposed any dividend for the financial year ended 31 st March, 2020

11. (a) Financial Calendar

For the financial year ended 31st March 2020, results were announced on:

For the quarter ended	Date
30.06.2019	9 th August 2019
30.09.2019 (Standalone Results)	21 st October 2019
30.09.2019 (Consolidated Results)	13 th December 2019
31.12.2019	7 th February 2020
31.03.2020	25 th June 2020

For the financial year ending 31st March 2021 results will be announced tentatively (subject to change) by:

For the quarter ended	Tentative Dates
30.06.2020	2 nd Week of September 2020
30.09.2020	2 nd Week of November 2020
31.12.2020	2 nd Week of February 2021
31.03.2021	4 th Week of May 2021
Next Annual General Meeting	Last week of September 2021

(b) Dividend Payment Date

The Board has not recommended any dividend for the financial year ended 31st March 2020.

(c) Listing at Stock Exchanges

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

Name of Stock Exchanges	Scrip Code
BSE Limited 25th Floor, P.J. Towers, Dalal Street, Mumbai-400001	500317
National Stock Exchange of India Ltd. Exchange Plaza Block G, C 1, Bandra Kurla Complex, G Block BKC, Bandra Kurla Complex, Bandra East, Mumbai-400051	OSWALAGRO
The Delhi Stock Exchange Ltd. Asaf Ali Road, Delhi-110002	00037
The U.P Stock Exchange Ltd. VIP Road, Kanpur	Not Available
The Calcutta Stock Exchange Ltd. 7, Lyons Range, Murgighata, Dalhousie, Kolkata-700001	Not Available
Madras Stock Exchange Ltd. Old No. 30, New No. 11, Second Line Beach, Chennai (Tamil Nadu)	OswalAgro
Ahmedabad Stock Exchange A-2, Kamdhenu Complex, Opposite Sahajanand College, 120 Feet Ring Rd, Panjara Pol, Ambawadi, Ahmedabad-380015	Not Available

The Annual Listing Fee for the year 2020-21 has been paid to the National Stock Exchange of India Limited and BSE Limited. The rest of the stock exchanges are inactive.

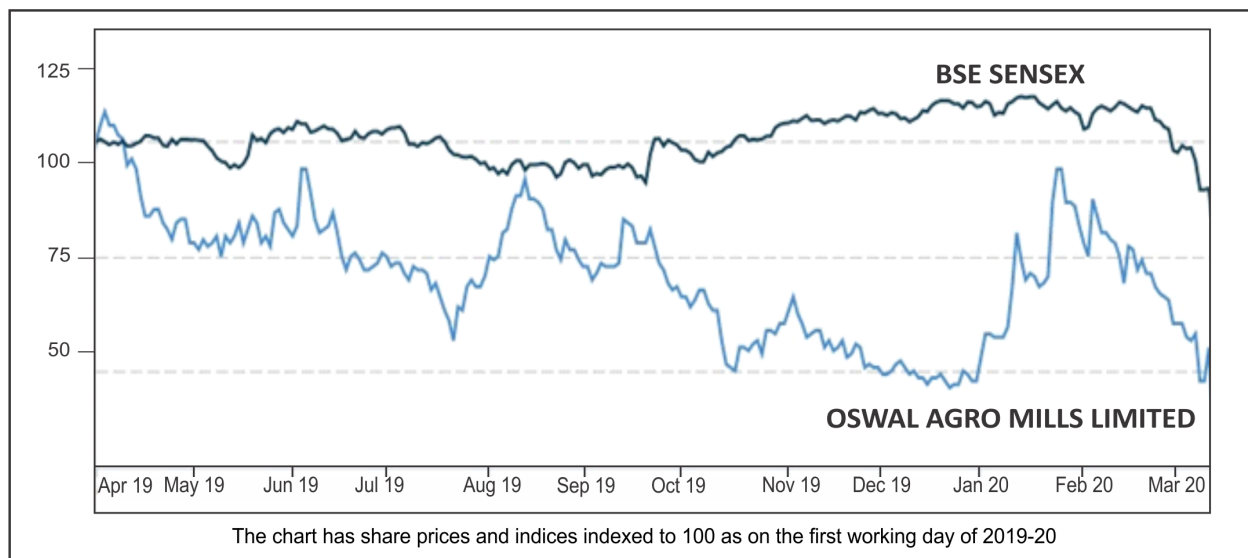
(d) Market Price Data

The market price data (high/low) during the financial year 2019-20 is given hereunder:

1 st APRIL 2019 to 31 st MARCH 2020	NSE LIMITED, MUMBAI		BSE LIMITED, MUMBAI	
	HIGH	LOW	HIGH	LOW
MONTH WISE DATA				
April 2019	9.10	6.30	9.89	6.61
May 2019	7.85	6.50	8.51	6.11
June 2019	8.30	6.35	8.30	6.15
July 2019	7.80	5.30	7.60	5.44
August 2019	8.30	6.00	8.60	6.15

September 2019	7.70	5.95	8.35	6.00
October 2019	7.00	4.65	7.49	4.67
November 2019	6.75	4.90	6.98	4.92
December 2019	5.60	4.55	6.30	4.50
January 2020	8.85	5.00	8.99	4.95
February 2020	8.10	5.40	8.25	5.35
March 2020	6.00	3.55	6.50	3.00

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



(e) Distribution of Shareholding as on 31.03.2020

No. of Shares	No. of Shares Held	%	No. of Shareholders	%
1- 500	208326160	15.52	180539	93.36
501 - 1000	56258180	4.19	7632	3.95
1001 - 2000	41571090	3.1	2897	1.5
2001 - 3000	19609180	1.46	781	0.4
3001 - 4000	12457830	0.93	354	0.18
4001 - 5000	12100990	0.9	260	0.13
5001 - 10000	32004280	2.38	440	0.23
10001 and above	960020050	71.52	486	0.25
TOTAL	1342347760	100	193389	100

(f) SHAREHOLDING PATTERN AS ON 31.03.2020

	Category	No. of Shares Held	% of Shareholding
A	Promoters and Associates	56033682	41.74
B	Banks, Financial Institutions and Mutual Funds	515847	0.38
C	Indian Public	76502772	57.00
D	NRI/OCB/FII's/FPIs	1182475	0.88
	TOTAL	134234776	100.00

(g) 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

Oswal Agro Mills Limited

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
Phone No. +91-11-40450193-97
Email ID: compliances@skylinerta.com, Website: www.skylinerta.com

(h) Compliance Officer

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

(i) Share Transfer System

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

(j) 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 82.21% of the Equity shares (11,03,58,658 equity shares) of the company have been dematerialized up to 31st March 2020. The ISIN No is NE-142A01012 for both NSDL and CDSL.

(k) Plant location

As on date, there is no plant exists for the Company.

(l) Foreign Exchange Risk and Hedging Activities

There is no hedging activity undertaken by the Company as the company is not majorly involved in foreign exchange transactions.

(m) Reconciliation of Share Capital Audit

CT & Company, an independent firm of practicing Company Secretaries, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the Re-reconciliation of total issued and listed Capital with that of total share capital admitted/held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Stakeholders' Relationship Committee of the Board.

(n) 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.

(o) Details of Public Funding Obtained in last three years

The Company has not raised any Public funding in last three years.

(o) 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
Email ID: oswal@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

For and on behalf of Board
Oswal Agro Mills Limited

Dr. Aruna Oswal
Chairperson
DIN : 00988524

Place : New Delhi
Date : 28.08.2020

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 of board of directors and senior management for the Financial Year 2019-20.

Place : New Delhi
Date : 28.08.2020

Bhola Nath Gupta
CEO & Wholetime Director

B. CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To

The Members “**Oswal Agro Mills Limited**”

We have examined the compliance of conditions of Corporate Governance by Oswal Agro Mills Limited (‘the Company’) for the year ended on 31st March 2020, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

The compliance of conditions of Corporate Governance is the responsibility of the Management including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of Corporate Governance. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31st March 2020.

We 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.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For CT & Company
Company Secretaries

Place : New Delhi
Date : 28.08.2020

Shivam Garg
Partner
COP 16406
Membership No. 44577
UDIN : A044577B000628534

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Schedule V Para C clause 10 of the SEBI (LODR) Regulations, 2015]

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

We have examined declarations/written representations received from the Directors by Oswal Agro Mills Limited ('the Company') and other relevant registers, records, forms, returns of the Company.

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other statutory authority for the financial year ending on 31st March 2020.

For CT & Company
Company Secretaries

Shivam Garg
Partner

COP 16406

Membership No. 44577

UDIN : A044577B000628468

Place : New Delhi

Date : 28.08.2020

THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) OF SEBI LODR REGULATIONS, 2015

ANNUAL AFFIRMATIONS

Sr. No.	Particulars	Regulation Number	Compliance status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2	Board composition	17(1)	Yes
3	Meeting of Board of directors	17(2)	Yes
4	Quorum of Board meeting	17(2A)	Yes
5	Review of Compliance Reports	17(3)	Yes
6	Plans for orderly succession for appointments	17(4)	Yes
7	Code of Conduct	17(5)	Yes
8	Fees/compensation	17(6)	Yes
9	Minimum Information	17(7)	Yes
10	Compliance Certificate	17(8)	Yes
11	Risk Assessment & Management	17(9)	Yes
12	Performance Evaluation of Independent Directors	17(10)	Yes
13	Recommendation of Board	17(11)	Yes
14	Maximum number of Directorships	17A	Yes
15	Composition of Audit Committee	18(1)	Yes
16	Meeting of Audit Committee	18(2)	Yes
17	Composition of nomination & remuneration committee	19(1) & (2)	Yes
18	Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
19	Meeting of Nomination and Remuneration Committee	19(3A)	Yes
20	Composition of Stakeholder Relationship Committee	20(1) & 20(2) & 20(2A)	Yes

21	Meeting of Stakeholders Relationship Committee	20(3A)	Yes
22	Composition and role of risk management committee	21(1),(2),(3),(4)	NA
23	Meeting of Risk Management Committee	21(3A)	NA
24	Vigil Mechanism	22	Yes
25	Policy for related party Transaction	23(1), (1A), (5),(6),(7) & (8)	Yes
26	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
27	Approval for material related party transactions	23(4)	Yes
28	Disclosure of related party transactions on consolidated basis	23(9)	NA
29	Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
30	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA

DISCLOSURE ON WEBSITE IN TERMS OF REGULATION 46(2) OF SEBI LODR REGULATIONS, 2015

Sr. No.	Subject	Compliance status (Yes/No)
1	Details of business	Yes
2	Terms and conditions of appointment of independent directors	Yes
3	Composition of various committees of board of directors	Yes
4	Code of conduct of board of directors and senior management personnel	Yes
5	Details of establishment of vigil mechanism/Whistle Blower policy	Yes
6	Criteria of making payments to non-executive directors	Yes
7	Policy on dealing with related party transactions	Yes
8	Policy for determining 'material' subsidiaries	Yes
9	Details of familiarization programmes imparted to independent directors	Yes
10	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
11	email address for grievance redressal and other relevant details	Yes
12	Financial results	Yes
13	Shareholding pattern	Yes
14	Details of agreements entered into with the media companies and/or their associates	NA
15	New name and the old name of the listed entity	NA

Management Discussion and Analysis

The Company always adhere to achieve best in the industry and try to optimize the cost and its efficiency level which translating into profit margins. The Company has generated revenue from operation from trading activities during the year. The company has dealt in trading of fiber cables amounting to Rs. 14.61 crore during the FY 2019-20. Apart from trading activities, the company also generated income from interest on Inter-corporate deposits, trading in mutual funds and other miscellaneous incomes.

The company has been carrying on the real estate and other non-financial activities since its incorporation. However, for the first time for the financial year ended 31.03.2019, the company's financial assets constituted more than 50 per cent of its total assets and the income from financial assets also constituted more than 50 per cent of its gross income, resulting in meeting the '50-50' test for determining financial activity as a principal business and accordingly as per press release 1998-99/1269 dated 08.04.1995, it got covered under the definition of NBFC.

Accordingly, the company had decided to make an application with RBI for obtaining the registration as NBFC vide Board Resolution dated July 26, 2019 and also decided not to enter into any fresh financial activity w.e.f July 26, 2019 and only the financial transactions prior to 26th July, 2019 were continuing since then.

However, the board of the director of the company decided not to proceed further with the registration as NBFC, considering the fact that meeting the '50-50' criteria was a one-time event on account of temporary reasons viz. business cycles etc. and that the company intends to continue only non-financial activity as its principal activity.

As, the Company intends to continue with the non-financial activities as its principal business in current year and future years, it was decided to approach RBI, based on legal advice, to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the company and as such seek condonation for default in not filing application with RBI for registration as NBFC and regularization of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934. of India Act, 1934.

Accordingly, the company has filed the application seeking exemption with RBI, Chandigarh dated 13th August 2020 and the same is under process

Furthermore, the company is actively trading in agricultural products in FY 2020-21 and has traded in commodities to the tune of Rs. 7.62 crore till the date of this report and will continue to deal in non-financial activities as principal business activity

OVERVIEW

The Company always adhere to achieve best in the industry and try to optimize the cost and its efficiency level which translating into profit margins. . The company is looking for various business opportunities primarily in trading sector and also exploring opportunities in real estate & investment sector. The future business outlook of the company seems bright.

SEGMENTWISE PERFORMANCE

During the year ended 31st March 2020, the company was operating under the business of Trading, Real Estate and Investing as separate business segments. Details of segment wise revenue, results and capital employed are given in Note No. 39 of Notes of Accounts, forming part of the Annual Report.

SUBSIDIARY COMPANY AND ASSOCIATES COMPANY SUBSIDIARY

During the year, the company has no subsidiary within the meaning of Section 2(87) of the Companies Act 2013 ("Act").

ASSOCIATE

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

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 downturn in the economic cycle.

OPPORTUNITIES AND OUTLOOK

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 2019-20.

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.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The company's major operations are in trading activities. It also deals in financing activities like extending of inter-corporate deposits. The company earned a profit before tax of Rs. 9.51 Crores and profit after tax of Rs. 6.96 Crores as against a profit before tax of Rs. 11.68 Crores and profit after tax of Rs. 9.27 Crores in the previous year.

The company revenue from operating comprises of revenue from trading activities of Rs. 14.61 crore for FY 2019-20. Furthermore, the company is actively trading in agricultural products in FY 2020-21 and has traded in commodities to the tune of Rs. 7.62 crore till the date of this directors' report and will continue to deal in non-financial activities as principal business activity.

Apart from trading segment, during the year, the Company has also received income from interest on Inter-Corporate deposits (ICDs) and investments in mutual funds. The interest income from ICD has increased by Rs 12.03 crore from Rs. 11.89 crore for FY 2018-19 to Rs. 23.92 crore for FY 2019-20. The future outlook of the company remains positive and encouraging considering the fact the economy is picking up pace post the implementation of unlock of the economy in phased manner and declining impact of the COVID-19.

The company is exploring more opportunities in other sectors for generating greater returns of company's funds.

KEY FINANCIAL RATIOS

Ratio	2019-20	2018-19	Remarks for Significant Changes
Debtor Turnover ratio	1.69	Nil	The company did not have any sales in FY 2018-19 and hence the ratio is nil for FY 2018-19
Inventory Turnover Ratio	Not Applicable		
Interest Coverage Ratio	Not Applicable as no debt		
Current Ratio	12.57	84.29	The changes are due to revisions/extensions in the term of ICD agreements and sale of Mutual funds. Further the current liabilities have increased manifold due to outstanding trade payables as on 31.03.2020
Debt Equity Ratio	Not Applicable as no debt		
Operating Profit Margin	0.24	0.54	The company's net profit has reduced due to substantial contribution towards charitable activities which was not the case in previous year. The normal business fluctuation/changes is the other reason for reduction of profits.
Net Profit Margin	0.17	0.43	
Return on Net worth ratio	1.14%	1.44%	

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 Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **Oswal Agro Mills Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including Other Comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 state of affairs of the Company as at March 31, 2020, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note 46(v) of the standalone financial statements whereby the company has become a NBFC w.e.f. 01.04.2019. However, the company has neither filed an application with RBI for its registration as NBFC nor complied with the relevant rules and regulations applicable to a NBFC. Further, the financial statements for the FY 2019-20 are not prepared in accordance with division III of Schedule III to the Companies Act 2013 as applicable to a NBFC.

In this regard, the company is in process to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the company and as such seek condonation for default in not filing application with RBI for registration as NBFC and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934.

The effects on the standalone financial statements of the aforesaid non-compliances cannot be determined.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in or report.

Key Audit Matter	How our audit addressed the Key Audit Matter
Contingent liabilities; There are various pending cases against which demand has been raised by different authority.	<p>For legal and regulatory matters our procedures included the following:</p> <ul style="list-style-type: none"> ➤ Assessing the processes and control over legal matters; ➤ Reviewing the Company's significant legal matters and other contractual claims; ➤ performing substantive procedures on the underlying calculations of potential liability; ➤ where relevant, reading external legal opinions obtained by management; ➤ where relevant, obtaining written confirmation from external legal counsels on the status of the cases ➤ Reviewing the adequacy and completeness of the company's disclosures. <p>Based on the work performed, we found the disclosures made by the management in notes 37 and 44 of the financial statements are sufficient.</p>
The company has deferred tax assets in respect of long-term capital losses on sale of investment. There is inherent uncertainty involved in forecasting future taxable long-term capital gains, which determines the extent to which deferred tax assets are or are not recognized.	<p>Deferred tax assets in respect of deductible capital losses on sale of investments have been recognized to the extent of expected capital gains, being the difference between the fair market value and indexed cost as at the end of the reporting period, on disposal of the Investment property. In this regard we obtained the valuation report from an independent expert for determining the fair market value as on the reporting date and assessed the recoverability of the long-term capital losses against the future taxable profits, taking in to account the company's tax position, and our knowledge and experience of the application of relevant tax legislation.</p> <p>Based on the work performed, we found the disclosures made by the management in note 9 of the financial statements are sufficient.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the company's annual report, but does not include the financial statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and except for the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 Other Comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with respect to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) 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 financial statements – Refer Note 37 to the standalone 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.

For **Agarwal & Dhandhania**
Chartered Accountants
Firm Registration No. 125756W

Sanjay Agarwal
(Partner)
Membership No. 078579
Place of Signature : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAT3106

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 standalone financial statements for the year ended 31st March, 2020, 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 title deeds of the immovable properties are held in the name of the company subject to the following limitations:

Particulars of the Immovable Property	Gross carrying amount as at 31st March, 2020 (₹ in thousand)	Net carrying amount as at 31st March, 2020 (₹ in thousand)	Remarks
1) Building at Vijay Vihar, Chembur, Mumbai	560.89	488.72	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 of 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 2020 except:

Name of the statute	Nature of Dues	Amount (in ₹ thousand)	Period to which amount relates	Due date	Date of payment
Income Tax Act, 1961	TDS Demands	606.29	FY 2016-17 and before	Not ascertainable	Not yet paid

- (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	1,352.63	Punjab VAT Tribunal

Punjab General Sales Tax Act, 1948 (PGST)	Value Added Tax	1999-2000	1,422.73 (Excluding amount paid under protest ₹ 474.25 thousand)	Punjab VAT Tribunal
Central Sales Tax Act, 1956	Central Sales Tax	1994-1995	349.33	Punjab VAT Tribunal
Income Tax Act, 1961	Income Tax demand u/s 143(1)	AY 2018-19	5,406.77	Rectification pending before assessing officer

- (viii) According to the information and explanations given to us and the books and records examined by us, the company has no loans or borrowings from bank, financial institution and government and has no dues to debenture holders. Accordingly, paragraph 3(viii) of the Order is 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 as mandated by the provisions of Section 197 of the Act 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 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) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934. However, the certificate of registration has not been obtained. [Refer note 46(v) to the standalone financial statements]

For **Agarwal & Dhandhania**
Chartered Accountants
Firm Registration No. 125756W

Sanjay Agarwal
(Partner)
Membership No. 078579
Place of Signature : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAT3106

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in our report of even date to the members of Oswal Agro Mills Limited on the standalone financial statements for the year ended 31st March, 2020

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

We have audited the internal financial controls with reference to financial statements of **Oswal Agro Mills Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to financial statements

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with respect to financial statements 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 with reference to financial statements 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") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with respect to financial statements 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 with respect to financial statements and their operating effectiveness. Our audit of internal financial control with respect to financial statements included obtaining an understanding of internal financial control with respect to financial statements, 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 with respect to financial statements.

Meaning of Internal Financial Controls with respect to financial statements

A Company's internal financial control with respect to financial statements 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 with respect to financial statements 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 with respect to financial statements

Because of the inherent limitations of internal financial controls with respect to financial statements, 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 with respect to financial statements to future periods are subject to the risk that the internal financial controls with respect to financial statements 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 with respect to financial statements and such internal financial controls with respect to financial statements were operating effectively as at 31st March, 2020, based on the internal controls with respect to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Agarwal & Dhandhania**
Chartered Accountants
Firm Registration No. 125756W

Sanjay Agarwal
(Partner)
Membership No. 078579
Place of Signature : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAT3106

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2020

(₹ in thousand)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	50,302.11	52,489.47
(b) Investment Property	4	23,993.49	24,361.63
(c) Right-of-use assets	36	3,354.48	-
(d) Investment in associate	5	2,375,808.28	2,375,808.28
(e) Financial Assets			
(i) Investments	6	130,208.02	131,972.00
(ii) Loans	7	703,985.30	833,357.30
(iii) Other financial assets	8	-	-
(f) Deferred Tax Assets (net)	9	53,535.38	46,918.90
(g) Income Tax Assets (net)		23,985.35	6,997.68
(h) Other non-current assets	10	4,950.43	7,110.57
		3,370,122.84	3,479,015.83
(2) Current assets			
(a) Inventories	11	648,885.17	648,885.17
(b) Financial Assets			
(i) Investments	12	233,418.28	815,243.31
(ii) Trade Receivables	13	172,342.51	-
(iii) Cash and cash equivalents	14	325,911.80	6,127.63
(iv) Bank Balances other than cash and cash equivalents	15	-	194.09
(v) Loans	16	1,221,788.00	792,630.29
(vi) Other financial assets	17	32,112.20	89,347.67
(c) Other current assets	18	85,025.62	183.47
		2,719,483.58	2,352,611.63
Total Assets		6,089,606.42	5,831,627.46
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	19	1,342,347.76	1,342,347.76
(b) Other equity	20	4,526,841.38	4,459,690.75
		5,869,189.14	5,802,038.51
Liabilities			
(2) Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	36	2,458.29	-
(b) Provisions	21	1,670.78	1,676.72
		4,129.07	1,676.72
(3) Current liabilities			
(a) Financial Liabilities			
(i) Trade Payable	22	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		169,014.97	-
(ii) Lease liabilities	36	2,272.28	-
(iii) Other financial liabilities	23	5,128.17	8,861.92
(b) Other current liabilities	24	33,057.73	14,378.33
(c) Provisions	25	6,815.06	4,671.98
		216,288.21	27,912.23
Total Equity and Liabilities		6,089,606.42	5,831,627.46

III. SIGNIFICANT ACCOUNTING POLICIES

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

As per our report of even date attached

 For Agarwal & Dhandhanian
 Chartered Accountants
 (Firm Registration No. 125756W)

 Sanjay Agarwal
 Partner
 Membership No. 078579

 Place : Surat
 Date : 25.06.2020
 UDIN : 20078579AAAAAT3106

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

 B N Gupta
 CEO and Wholetime Director
 DIN : 00562338
 Place : New Delhi
 Date : 25.06.2020

 Parveen Chopra
 Chief Financial Officer
 Place : New Delhi
 Date : 25.06.2020

 Anil Bhalla
 Director
 DIN : 00587533
 Place : New Delhi
 Date : 25.06.2020

 Gopal
 Company Secretary
 Place : New Delhi
 Date : 25.06.2020

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

(₹ in thousand)

Particulars	Note No.	Year Ended 31.03.2020	Year Ended 31.03.2019
I Revenue from operations	26	146,052.91	-
II Other income	27	259,161.88	216,687.10
III Total Income (I+II)		405,214.79	216,687.10
IV Expenses:			
Purchases of stock-in-trade	28	143,232.79	-
Employee benefits expense	29	17,368.32	15,662.23
Finance costs	30	868.45	510.66
Depreciation and amortisation expense	31	3,673.65	2,109.16
Other expenses	32	144,965.68	81,607.43
Total expenses (IV)		310,108.89	99,889.48
V Profit before tax (III-IV)		95,105.90	116,797.62
VI Tax expense:	33		
- Current tax		32,115.47	25,472.30
- Deferred tax		(6,616.48)	(1,404.03)
VII Profit/(loss) for the year after tax (V-VI)		69,606.91	92,729.35
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
-Fair value gain/(loss) on equity instruments through OCI		(1,763.99)	(9,299.51)
-Net Gain/(loss) on remeasurement of defined benefit plan		(692.29)	277.31
-Income tax relating to these items		-	-
Total Other Comprehensive Income/(Loss)		(2,456.28)	(9,022.20)
IX Total Comprehensive income/(loss) for the year (VII+VIII)		67,150.63	83,707.15
X Earnings per equity share (Face Value of ₹ 10/- each)	34		
Basic/Diluted		0.52	0.69
XI SIGNIFICANT ACCOUNTING POLICIES	2		

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

As per our report of even date attached

 For Agarwal & Dhandhanian
 Chartered Accountants
 (Firm Registration No. 125756W)

 Sanjay Agarwal
 Partner
 Membership No. 078579

 Place : Surat
 Date : 25.06.2020
 UDIN : 20078579AAAAAT3106

 For and on behalf of the Board of Directors of
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 Company Secretary
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 Date : 25.06.2020

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(₹ in thousand)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
I. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	95,105.90	116,797.62
Adjustments for:		
- Depreciation and amortisation expense	3,673.65	2,109.16
- Finance costs	868.45	510.66
- Interest income on financial assets at amortised cost at EIR	(239,234.71)	(118,929.07)
- Net gain on financial assets carried at FVTPL	(15,888.64)	(26,658.93)
- Dividend income on financial assets carried at FVTPL	(2,513.11)	(41,909.33)
- Rental Income on investment property	(1,525.42)	(1,800.00)
- Balances written off	1,333.58	-
- Non Cash Legal Claims	-	285.00
- Provisions no longer required written back	-	(55.00)
- Movement in provision for employee benefits expense	969.33	(785.50)
Operating profit before working capital changes and tax	(157,210.97)	(70,435.39)
Adjustments for changes in working capital:		
- (Increase)/Decrease in non financial assets	(82,835.59)	222,950.93
- (Increase)/Decrease in current and non-current financial assets	(172,722.80)	(6,637.07)
- Increase/(Decrease) in other current liabilities	18,679.40	(8,998.15)
- Increase/(Decrease) in Trade Payables and other current financial liabilities	165,281.21	(46.78)
Cash generated from operations before tax	(228,808.75)	136,833.54
-Income Taxes (Payment)/Refund	(49,103.13)	(29,143.51)
Net cash from/(used in) operating activities	(277,911.88)	107,690.03
II. CASH FLOWS FROM INVESTING ACTIVITIES		
- Purchase of property, plant and equipment	(1,180.00)	(7,054.38)
- Purchase of current investments	(1,327,500.00)	(1,275,133.37)
- Sale of current investments	1,924,253.31	1,743,758.58
- Extending of intercorporate loans	(1,477,500.00)	(840,000.00)
- Repayment of intercorporate loans	1,178,000.00	157,500.00
- Movement in Fixed Deposits	194.09	(12.39)
- Movement in Future and option contracts (measured at fair value through profit and loss)	58,867.49	(58,867.49)
- Lease Income on investment property received	-	1,800.00
- Realised profit in trading of futures and options	960.37	2,849.12
- Realised profit in trading of mutual funds	-	122.46
- Dividend Received	2,513.11	43,897.42
- Interest Received	239,222.68	110,079.37
Net cash from/(used in) investing activities	597,831.05	(121,060.68)
III. CASH FLOWS FROM FINANCING ACTIVITIES		
-Payment of Lease liabilities	(135.00)	-
Net cash generated from/(used in) financing activities	(135.00)	-
Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)	319,784.17	(13,370.65)
Cash and cash equivalents at the beginning of the year	6,127.63	19,498.28
Cash and cash equivalents at the end of the year	325,911.80	6,127.63
IV. Components of Cash and cash equivalents as per Note 14		
Balances with banks		
- in Current Account	10,840.53	5,625.99
Cash on hand	845.44	501.64
Cheques in hand	164,017.81	-
Fixed Deposits with banks (with maturity of 3 months or less)	150,208.02	-
Total	325,911.80	6,127.63

V. Significant accounting policies and notes forms an integral part of standalone financial statement

Notes :

- 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.
- Figures in brackets indicate cash outgo.
- 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 Agarwal & Dhandhanian
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAT3106

For and on behalf of the Board of Directors of
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CEO and Wholtime Director
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DIN : 00587533
Place : New Delhi
Date : 25.06.2020

Gopal
Company Secretary
Place : New Delhi
Date : 25.06.2020

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020
(Amount in ₹ thousand unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	As at 31.03.2020	As at 31.03.2019
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		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Fair value gain/ (loss) on equity instruments through OCI	Remeasurement of defined bene- fit plan	
Balance as at April 1, 2018	4,464,882.64	1,500.00	318,976.09	(407,271.34)	(1,798.34)	(305.45)	4,375,983.60
Profit for the year 2018-19	-	-	-	92,729.35	-	-	92,729.35
Other comprehensive income for 2018-19	-	-	-	-	(9,299.51)	277.31	(9,022.20)
Balance as at March 31, 2019	4,464,882.64	1,500.00	318,976.09	(314,541.99)	(11,097.85)	(28.14)	4,459,690.75
Profit for the year for 2019-20	-	-	-	69,606.91	-	-	69,606.91
Other comprehensive income for 2019-20	-	-	-	-	(1,763.99)	(692.29)	(2,456.28)
Balance as at March 31, 2020	4,464,882.64	1,500.00	318,976.09	(244,935.08)	(12,861.84)	(720.43)	4,526,841.38

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

As per our report of even date attached

For Agarwal & Dhandhanian
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAT3106

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

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Date : 25.06.2020

Gopal
Company Secretary
Place : New Delhi
Date : 25.06.2020

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020
(Amount in ₹ thousand unless otherwise stated)

1. COMPANY OVERVIEW

Oswal Agro Mills Limited (“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 company’s shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The principal business of the company is trading/development of real estate, trading of goods etc. 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 June 25, 2020.

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 for certain financial instruments which are measured at fair values), 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 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after, 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 (to the extent notified)/Companies Act, 1956.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

(c) Basis of Measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis except for the employees’ defined benefits and other long-term employee benefits obligations recognised as per certificate from an independent actuary 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.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, loan receivables and others. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including financial reports and related information and economic forecasts. The company estimates no major impact of COVID-19 on the Company’s financial statements. However, the actual impact may differ from that estimated as at the date of approval of these financial statements. 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 Contingencies:** The assessments undertaken in recognising 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 alter.
- 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) **Leases:** Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company’s operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

- v) **Allowance for credit losses on receivables:** The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with. In calculating expected credit loss, the Company has also considered various related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.
- vi) **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 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 on which 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). On derecognition of the equity instrument measured at FVTOCI, cumulative gain or loss previously recognised in OCI are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity.

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. Derivative financial instruments are always measured at FVTPL.

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 qualifies 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) is 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:

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 used. 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 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.

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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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, Mumbai 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.

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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

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

Investment in associate is recognised at cost less impairment. Dividend income from associate 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.

I. Leases**The company as a lessee**

The Company's lease asset primarily consist of lease for building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows for the purpose of Cash Flow Statement.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

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 is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue from the sale of Flat/Plots is measured at the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc).

Interest income is recognized as it accrues in Statement of Profit and Loss using the effective interest method.

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.

NOTES (CONTD...)**(Amount in ₹ thousand unless otherwise stated)****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 a 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 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**Earned Leave Encashment and Sick Leave**

The employees of the Company are entitled to earned leaves and sick leaves. The employees can carry forward a portion of the unutilised earned leaves and utilise it in future periods or receive cash at retirement or termination of employment. The employees can carry forward the unutilised sick leaves and utilise it in future periods and it lapses at retirement or termination of employment. The Company records an obligation for earned leave and sick leaves in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of earned leave and sick leave 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 earned leave and sick leave 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 RELATED TO BALANCE SHEET

3 PROPERTY, PLANT AND EQUIPMENT

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2020

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 1.04.2019	Additions	Disposal/ Adjust- ments	As at 31.03.2020	As at 1.04.2019	For the year	Adjust- ments During the Year	As at 31.03.2020	As at 31.03.2020	As At 31.03.2019
Land										
-Freehold	11,356.81	-	-	11,356.81	-	-	-	-	11,356.81	11,356.81
Buildings										
-Freehold	34,674.65	-	-	34,674.65	3,486.20	871.55	-	4,357.75	30,316.90	31,188.45
Plant & Equipments	1,833.38	-	-	1,833.38	639.06	220.74	-	859.80	973.58	1,194.32
Furniture & Fixtures	140.03	-	-	140.03	94.16	13.23	-	107.39	32.64	45.87
Vehicles	9,717.38	-	-	9,717.38	1,242.67	1,067.59	-	2,310.26	7,407.12	8,474.71
Office Equipment	316.65	-	-	316.65	108.53	14.25	-	122.78	193.87	208.12
Others										
-Computers	21.47	-	-	21.47	0.28	-	-	0.28	21.19	21.19
Total	58,060.37	-	-	58,060.37	5,570.90	2,187.36	-	7,758.26	50,302.11	52,489.47

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2019

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 1.04.2018	Additions	Disposal/ Adjust- ments	As at 31.03.2019	As at 1.04.2018	For the year	Adjust- ments During the Year	As at 31.03.2019	As at 31.03.2019	As At 31.03.2018
Land										
-Freehold	11,356.81	-	-	11,356.81	-	-	-	-	11,356.81	11,356.81
Buildings										
-Freehold	34,674.65	-	-	34,674.65	2,614.65	871.55	-	3,486.20	31,188.45	32,060.00
Plant & Equipments	1,833.38	-	-	1,833.38	377.02	262.04	-	639.06	1,194.32	1,456.36
Furniture & Fixtures	140.03	-	-	140.03	75.57	18.59	-	94.16	45.87	64.46
Vehicles	2,738.00	6,979.38	-	9,717.38	656.45	586.22	-	1,242.67	8,474.71	2,081.55
Office Equipment	241.65	75.00	-	316.65	105.91	2.62	-	108.53	208.12	135.74
Others										
-Computers	21.47	-	-	21.47	0.28	-	-	0.28	21.19	21.19
Total	51,005.99	7,054.38	-	58,060.37	3,829.88	1,741.02	-	5,570.90	52,489.47	47,176.11

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

4 INVESTMENT PROPERTY

 The following table shows changes in investment property during the year ended 31st March, 2020

Particulars	Gross carrying amount				Accumulated Depreciation/Amortisation				Net carrying amount	
	As at 1.04.2019	Additions	Disposal/ Adjust- ments	As at 31.03.2020	As at 1.04.2019	For the year	Adjust- ments During the Year	As at 31.03.2020	As at 31.03.2020	As At 31.03.2019
Land										
-Leasehold	293.24	-	-	293.24	17.68	4.42	-	22.10	271.14	275.56
-Freehold	3,088.24	-	-	3,088.24	-	-	-	-	3,088.24	3,088.24
Buildings										
-Freehold	22,452.71	-	-	22,452.71	1,454.88	363.72	-	1,818.60	20,634.11	20,997.83
Total	25,834.19	-	-	25,834.19	1,472.56	368.14	-	1,840.70	23,993.49	24,361.63

 The following table shows changes in Investment property during the year ended 31st March, 2019

Particulars	Gross carrying amount				Accumulated Depreciation/Amortisation				Net carrying amount	
	As at 1.04.2018	Additions	Disposal/ Adjust- ments	As at 31.03.2019	As at 1.04.2018	For the year	Adjust- ments During the Year	As at 31.03.2019	As at 31.03.2019	As At 31.03.2018
Land										
-Leasehold	293.24	-	-	293.24	13.26	4.42	-	17.68	275.56	279.98
-Freehold	3,088.24	-	-	3,088.24	-	-	-	-	3,088.24	3,088.24
Buildings										
-Freehold	22,452.71	-	-	22,452.71	1,091.16	363.72	-	1,454.88	20,997.83	21,361.55
Total	25,834.19	-	-	25,834.19	1,104.42	368.14	-	1,472.56	24,361.63	24,729.77

(i) Other disclosures as per IND AS 40 "Investment Property":

Amount recognised in Statement of profit and loss for investment properties	For the year Ended 31.03.2020	For the year Ended 31.03.2019
Rental income	1,525.42	1,800.00
Direct operating expenses for property that generated rental income	262.71	247.81
Direct operating expenses for property that did not generate rental income	2,801.85	3,402.60

(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 ₹ 271.14 thousand (previous year ₹ 275.56 thousand) has been kept as security against the facility obtained by company in earlier years from Indian bank with which the legal dispute is going on as per Note No. 37.
- (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

(iii) Leasing arrangements

One of the investment property is leased under non-cancellable operating lease with rental payable monthly for a period of 29 years and 11 months. Minimum future lease payments receivable under non-cancellable operating lease of investment property are as follows-

	Current year	Previous year
Within one year ₹	1,525.42	1,800.00
later than one year but not later than 5 years	6,101.69	7,200.00
later than 5 years	32,669.49	40,350.00

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(iv) Fair Value of investment property	<u>As at 31-03-2020</u>	<u>As at 31-03-2019</u>
Investment properties	246,780.00	241,166.52

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
- 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 an 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

5	INVESTMENTS IN ASSOCIATE	<u>As at 31.03.2020</u>	<u>As at 31.03.2019</u>
	I. Investments in Equity Instruments		
	Investments at cost		
	Associate Company (Quoted)		
	Oswal Greentech Limited		
	9,13,84,203 Equity Shares (31st March, 2019: 9,13,84,203) of ₹ 10/- each fully paid	2,375,808.28	2,375,808.28
	Total	<u>2,375,808.28</u>	<u>2,375,808.28</u>
	Aggregate amount of quoted investments	2,375,808.28	2,375,808.28
	Aggregate market value of quoted investments	685,381.52	1,423,765.88
	Aggregate amount of un-quoted investments	-	-
	Aggregate amount of impairment in value of investments	-	-

Details of investments in associate:

Name of investee and relationship	Place of business/ country of incorporation	Ownership interest as at 31st March, 2020	Ownership interest as at 31st March, 2019	Method of Accounting
Oswal Greentech Limited	India	35.58%	35.58%	Measured at Cost

FINANCIAL ASSETS

6	INVESTMENTS	<u>As at 31.03.2020</u>	<u>As at 31.03.2019</u>
	Investments in Equity Instruments		
	Investment at fair value through other comprehensive income (FVTOCI), (Unquoted)		
	Other Company		
	P C Media Systems Limited		
	1,44,51,500 Equity Shares (31st March, 2019: 1,44,51,500) of ₹ 10/- each fully paid	130,208.02	131,972.00
	Total	<u>130,208.02</u>	<u>131,972.00</u>
	Aggregate amount and market value of quoted investments	-	-
	Aggregate amount of un-quoted investments	130,208.02	131,972.00
	Aggregate amount of impairment in value of investments	-	-
7	LOANS		
	(Unsecured, considered good)		
	Security deposits	857.30	857.30
	Other loans		
	-Inter-corporate deposits (Considered Good)	703,000.00	832,500.00
	-Loan to employees	128.00	-
	Total	<u>703,985.30</u>	<u>833,357.30</u>

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

8 OTHER FINANCIAL ASSETS	As at 31.03.2020	As at 31.03.2019
Fixed Deposits with banks (For Margin Money)	33,409.46	33,409.46
Less: Allowance for credit losses*	(33,409.46)	(33,409.46)
Total	-	-

*Allowance in respect of fixed deposits encashed by Indian Bank. Refer note 37

9. DEFERRED TAX ASSETS/LIABILITIES (NET)
(a) Deferred tax (assets)/liabilities relate to the following:

Particulars	As at 31.03.2020	As at 31.03.2019
Deferred Tax Liabilities		
Mutual Funds measured at FVTPL	2,321.70	214.54
	2,321.70	214.54
Deferred Tax Assets		
Employee benefits expense	(2,135.72)	(1,766.21)
Property, Plant and Equipment and Investment Property	(11,861.85)	(10,133.73)
Deductible capital losses under Income Tax Act, 1961 on sale of investments	(36,896.37)	(35,233.50)
Lease liabilities	(40.54)	(-)
Other timing differences	(4,922.60)	(-)
	(55,857.08)	(47,133.44)
Net Deferred Tax (Assets)/Liabilities recognised in Balance Sheet	(53,535.38)	(46,918.90)

(b) Movement in deferred tax (Assets)/Liabilities:

Particulars	Mutual Funds measured at fair value through profit & Loss (FVTPL)	Employee benefits expense	Property, Plant and Equipment and Investment Property	Deductible capital losses on sale of investment [refer note 9(f)]	Lease Liabilities	Other timing differences	Total
Balance as at March 31, 2018	1,929.16	(2,009.53)	(10,181.27)	(35,253.23)	-	-	(45,514.87)
Charged/(Credited) to Profit or Loss in 2018-19	(1,714.62)	243.32	47.54	19.73	-	-	(1,404.03)
Charged/(Credited) to Other Comprehensive Income in 2018-19	-	-	-	-	-	-	-
Balance as at March 31, 2019	214.54	(1,766.21)	(10,133.73)	(35,233.50)	-	-	(46,918.90)
Charged/(Credited) to Profit or Loss in 2019-20	2,107.16	(369.51)	(1,728.12)	(1,662.87)	-	(4,922.60)	(6,575.94)
Charged/(Credited) to Other Comprehensive Income in 2019-20	-	-	-	-	-	-	-
Impact on account of IND AS 116	-	-	-	-	(40.54)	-	(40.54)
Balance as at March 31, 2020	2,321.70	(2,135.72)	(11,861.85)	(36,896.37)	(40.54)	(4,922.60)	(53,535.38)

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

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Accounting profit/(loss) before tax expense	95,105.90	116,797.62
Enacted tax rates in India	25.17%	27.82%
Taxed at India's statutory income tax rate	23,936.25	32,493.10
Effect of:		
Non deductible expense	3,399.09	(7,990.70)
Income tax for earlier years	(173.48)	(501.40)
DTA on Indexation benefit under Income Tax Act, 1961 on lands under Investment Property	-	47.54
DTA on capital losses	(1,662.87)	19.73
Income tax expense recognised in Statement of Profit and Loss	25,498.99	24,068.27

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(d) The tax rates under Indian Income Tax Act, 1961 for financial year 2019-20 is 25.17% (Previous year 2018-19 is 27.82%)

(e) Unrecognised temporary differences

Particulars	As at 31.03.2020	As at 31.03.2019
i) The amount of deductible temporary differences on investments in equity shares for which no deferred tax asset is recognised	768,563.36	740,661.63
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*	43,529.96	46,480.20
Potential tax benefit @ 22.88% (P.Y. 22.26%)	185,806.95	175,186.29

* The losses are available for use till F.Y. 2024-25 (A.Y. 2025-26)

(f) Deferred tax assets in respect of deductible capital losses on sale of investments have been recognised to the extent of expected capital gains, being the difference between the fair market value and indexed cost as at the end of the reporting period, arising on disposal of Investment properties.

NON-FINANCIAL ASSETS

10 OTHER NON-CURRENT ASSETS

Capital advances	1,180.00	-
Others		
-Other receivable	-	7,110.57
-Input credit receivable	3,770.43	-
Total	4,950.43	7,110.57

CURRENT ASSETS

11 INVENTORIES

(At lower of cost and net realisable value)

-Land at Chembur, Mumbai	648,885.17	648,885.17
Total	648,885.17	648,885.17

Note: NCLAT had directed the company not to sell the land without its prior permission or till the final decision of the appeals whichever is earlier.

FINANCIAL ASSETS

12 INVESTMENTS

Investments at fair value through profit or loss (FVTPL)

Investment in Mutual Funds (Unquoted)

65,273.474 units (31st March, 2019 64,070.56 units) of LIC MF-liquid fund- Growth Plan	233,418.28	215,739.84
Nil units (31st March, 2019 3,25,47,425.71 units) Kotak Equity Arbitrage Fund- Monthly Dividend (Regular plan)	-	348,530.85
Nil units (31st March, 2019 49,65,535.36 units) L & T Arbitrage Opportunities Fund- Monthly Dividend (Regular plan)	-	50,132.04
Nil units (31st March, 2019 94,07,219.73 units) UTI Spread Fund - Dividend payout	-	150,561.61
Nil units (31st March, 2019 0.596 units) HDFC Liquid Fund-Growth Plan	-	2.19
Nil units (31st March, 2019 16,485.63 units) UTI Mutual Fund -Liquid Cash Plan	-	50,276.76
Nil units (31st March, 2019 0.01 units) Kotak liquid- regular plan	-	0.02
Total	233,418.28	815,243.31
(a) Aggregate amount and market value of quoted investments	-	-
(b) Aggregate amount of unquoted investments	233,418.28	815,243.31
(c) Aggregate amount of impairment in value of investments	-	-

13 TRADE RECEIVABLES

(Unsecured, considered good)

Trade receivables- Trading of fibre cables	172,342.51	-
Total	172,342.51	-

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

14	CASH AND CASH EQUIVALENTS	As at 31.03.2020	As at 31.03.2019
	Balances with banks		
	- in current account	10,840.53	5,625.99
	Cash on hand	845.44	501.64
	Cheques in hand	164,017.81	-
	Fixed Deposits with banks (with maturity of 3 months or less)	150,208.02	-
	Total	325,911.80	6,127.63
15	BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
	Fixed Deposits with banks (with maturity more than 3 months and upto 12 months)	-	194.09
	Total	-	194.09
16	LOANS		
	(Unsecured, considered good)		
	Other loans		
	- Inter corporate Deposits (Considered Good)	1,221,500.00	792,500.00
	- Loan to employees	288.00	130.29
	Total	1,221,788.00	792,630.29
17	OTHER FINANCIAL ASSETS		
	Interest receivable	30,492.20	30,480.18
	Future and option contracts (measured at fair value through profit and loss)	-	58,867.49
	Lease receivable	1,620.00	-
	Total	32,112.20	89,347.67
	NON-FINANCIAL ASSETS		
18	OTHER CURRENT ASSETS		
	Advances other than capital advances		
	-Advance to vendors (Real Estate)	80,000.00	-
	Other advances	5,025.62	183.47
	Total	85,025.62	183.47
	EQUITY AND LIABILITIES		
19	SHARE CAPITAL		
	Authorized:		
	30,00,00,000 (31st March 2019: 30,00,00,000) Equity Shares of ₹ 10/- each	3,000,000.00	3,000,000.00
	1,00,00,000 (31st March 2019: 1,00,00,000) Redeemable Preference Shares of ₹ 100/- each	1,000,000.00	1,000,000.00
	Total	4,000,000.00	4,000,000.00
	Issued, Subscribed and fully paid-up:		
	Issued, Subscribed and fully paid-up:		
	13,42,34,776 (31st March 2019: 13,42,34,776) Equity Shares of ₹ 10/- each	1,342,347.76	1,342,347.76
	Total	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 March 31, 2018	134,234,776	1,342,347.76
	Add/(less): Issued/(redeemed) during the year	-	-
	As at March 31, 2019	134,234,776	1,342,347.76
	Add/(less): Issued/(redeemed) during the year	-	-
	As at March 31, 2020	134,234,776	1,342,347.76

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(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 March 31, 2020		
- Aruna Oswal	56,026,460	41.74%
As at March 31, 2019		
- Aruna Oswal	56,026,460	41.74%

(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.

20 OTHER EQUITY	As at 31.03.2020	As at 31.03.2019
(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	(314,541.99)	(407,271.34)
Add: Profit/(loss) for the year	69,606.91	92,729.35
Balance at the end	(244,935.08)	(314,541.99)
(b) Other Components of Equity		
Fair value gain/(loss) on equity instruments through OCI		
Balance at the commencement of the year	(11,097.85)	(1,798.34)
Add: Additions/(Deletion) during the year	(1,763.99)	(9,299.51)
Balance at the end	(12,861.84)	(11,097.85)
Remeasurement of net defined benefit plan		
Balance at the commencement of the year	(28.14)	(305.45)
Add: Additions/(Deletion) during the year	(692.29)	277.31
Balance at the end	(720.43)	(28.14)
Total (a+b)	4,526,841.38	4,459,690.75

NATURE AND PURPOSE OF COMPONENTS OF OTHER EQUITY:

Securities Premium Reserve

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

Capital Reserve

It includes central investment subsidy received in earlier years

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.

Equity instruments through OCI

This represents the gain/(loss) on remeasurement 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

NON-CURRENT LIABILITIES

21 PROVISIONS	As at 31.03.2020	As at 31.03.2019
Provisions for employee benefits	1,670.78	1,676.72
Total	1,670.78	1,676.72

CURRENT LIABILITIES
FINANCIAL LIABILITIES

22 TRADE PAYABLES		
Trade Payables-Trading of fibre cables	169,014.97	-
Total	169,014.97	-

23 OTHER FINANCIAL LIABILITIES

Others		
-Creditors for expenses	4,836.53	4,741.65
-Employee benefits payable	291.64	771.53
-Other payable	-	3,348.74
Total	5,128.17	8,861.92

NON-FINANCIAL LIABILITIES

24 OTHER CURRENT LIABILITIES		
Others		
-Payable against litigations	31,276.18	12,000.21
-Duties & taxes payable	1,781.55	2,378.12
Total	33,057.73	14,378.33

25 PROVISIONS

Provisions for employee benefits	6,815.06	4,671.98
Total	6,815.06	4,671.98

NOTES RELATED TO STATEMENT OF PROFIT AND LOSS

26 REVENUE FROM OPERATIONS	Year ended 31.03.2020	Year ended 31.03.2019
Sale of products		
-Fiber Cables	143,822.91	-
Other operating revenues	2,230.00	-
Total	146,052.91	-

27 OTHER INCOME

Interest income		
-Interest income at EIR (including interest on income tax refund)	239,234.71	118,929.07
Other non operating income		
-Net gain on financial assets carried at FVTPL	15,888.64	26,658.93
-Lease Income	1,525.42	1,800.00
-Provisions no longer required written back	-	55.00
-Dividend income on financial assets carried at FVTPL	2,513.11	41,909.33
-Claim in respect of legal dispute	-	27,334.77
Total	259,161.88	216,687.10

28 PURCHASES OF STOCK IN TRADE

Purchase of Fiber Cables	143,232.79	-
Total	143,232.79	-

29 EMPLOYEE BENEFITS EXPENSE

Salaries and wages	16,097.46	14,022.70
Contribution to provident and other funds	1,129.34	994.91
Staff welfare expenses	141.52	644.62
Total	17,368.32	15,662.23

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

1) Defined Contribution Plan:	Current year	Previous year
Contribution to Provident fund	1,038.03	874.01

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 31.03.2020	Gratuity (Unfunded) Year ended 31.03.2019
Recognised in profit and loss		
Current service cost	414.59	326.76
Interest Cost	368.83	335.88
Past service cost including curtailment gains/losses	-	-
Total	783.42	662.64
Recognised in other comprehensive income		
Actuarial Gain/(Loss)	(692.29)	277.31
Total	(692.29)	277.31
Expected contribution in the next year	660.84	557.46
Assumptions		
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
Retirement Age (years)	60	60
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	6.13	7.49
Future Salary Increase	6.00	6.00

Mortality Rates for specimen ages:

Age	Mortality Rate	Age	Mortality Rate	Age	Mortality Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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) For the year ended 31.03.2020	Gratuity (Unfunded) For the year ended 31.03.2019
Change in present benefit obligations		
Present value of obligation as at the beginning of the Year	4,924.25	4,538.92
Interest Cost	368.83	335.88
Acquisition adjustment	-	-
Current service cost	414.59	326.76
Past Service Cost including curtailment gains/losses	-	-
Benefits Paid	(69.23)	-
Actuarial (Gain)/Loss - Experience Adjustment	572.50	(271.46)
Actuarial (Gain)/Loss - Demographic Assumptions	(3.80)	-
Actuarial (Gain)/Loss - Financial Assumptions	123.58	(5.85)
Present value of obligation as at the end of Year	6,330.73	4,924.25
Present value of obligation as at the end of Year- current	5,344.90	3,719.20
Present value of obligation as at the end of Year- non-current	985.83	1,205.05
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	6,330.73	4,924.25
Fair value of plan assets	-	-
Unfunded Liability/provision in Balance Sheet	6,330.73	4,924.25
Unfunded liability recognized in Balance Sheet	6,330.73	4,924.25

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.

Sensitivity Analysis

Particulars	31.03.2020	31.03.2019
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	6,330.73	4,924.25
a) Impact due to increase of 0.50%	(48.60)	(31.26)
b) Impact due to decrease of 0.50%	52.59	33.39
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	6,330.73	4,924.25
a) Impact due to increase of 0.50%	52.40	33.71
b) Impact due to decrease of 0.50%	(48.88)	(31.83)

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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	31.03.2020
April 2020- March 2021	5,344.90
April 2021- March 2022	16.36
April 2022- March 2023	19.40
April 2023- March 2024	157.19
April 2024- March 2025	157.69
April 2025- March 2026	36.71
April 2026 onwards	598.49

30 FINANCE COST	Year ended 31.03.2020	Year ended 31.03.2019
Interest others	868.45	510.66
Total	868.45	510.66
31 DEPRECIATION AND AMORTISATION EXPENSE		
Property, plant and equipment	2,187.36	1,741.02
Investment property	368.14	368.14
Right-of-use assets	1,118.15	-
Total	3,673.65	2,109.16
32 OTHER EXPENSES		
Consultation & Professional Fee	51,119.24	33,063.91
Rates and taxes	14,432.05	14,934.19
Security Services	4,999.24	5,143.55
Advertisement expense	917.97	3,917.44
Postage & Telegram	2,619.59	7,081.09
Printing & Stationery	3,980.70	5,043.95
Business Promotion	2,580.78	1,339.00
Operating Lease expenses	-	741.00
Electricity Expenses	423.97	415.64
Contribution towards Corporate Social Responsibility	5,100.00	2,000.00
Donation	30,206.48	-
Repairs & Maintenance:		
-Building	1,578.77	659.08
-Others	1,046.24	1,047.96
Payment to Auditor:		
- Statutory Audit	590.00	590.00
- Out of pocket	133.06	61.19
Legal Claims	19,275.97	285.00
Other General Expenses	5,961.62	5,284.43
Total	144,965.68	81,607.43
33 TAX EXPENSES		
Current Tax		
-Income Tax	32,288.95	25,973.70
-Income tax for earlier years	(173.48)	(501.40)
	32,115.47	25,472.30
Deferred Tax	(6,616.48)	(1,404.03)
Total	25,498.99	24,068.27

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

OTHER DISCLOSURES

34 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 31.03.2020	Year ended 31.03.2019
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)	69,606.91	92,729.35
Basic/Diluted earnings per Share (Amount in ₹)	0.52	0.69
Face value per equity share (Amount in ₹)	10	10

35 DIRECTOR'S REMUNERATION

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Salary, allowances and perquisites	2,575.60	2,575.60
Leave Encashment	-	1,002.50
Contribution to provident fund	174.38	173.23
Total	2,749.98	3,751.33

Note : Provision for gratuity, leave encashment and sick leave 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.

36 DISCLOSURE UNDER IND AS -116 "LEASES"

a. Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 4,472.63 thousand and a lease liability of ₹ 4,472.63 thousand. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10%.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 and the value of the lease liability as of April 1, 2019 is on account of the fact that there were no lease commitments as on 31.03.2019 as per the terms of the lease contract existing as on 31.03.2019.

b. Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

Particulars	ROU -Building (in ₹ Thousands)
Balance as at April 1, 2019	4,472.63
Additions	-
Deletions	-
Depreciation	1,118.15
Balance as at March 31, 2020	3,354.48

c. The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

d. The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	As at 31.03.2020 (in ₹ Thousands)
Current lease liabilities	2,272.28
Non-current lease liabilities	2,458.29
Total	4,730.57

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

e. The following is the movement in lease liabilities during the year ended March 31, 2020

Particulars	As at 31.03.2020 (in ₹ Thousands)
Balance as at April 1, 2019	4,472.63
Additions	-
Finance cost accrued during the period	392.94
Deletions	-
Payment of lease liabilities	(135.00)
Balance as at March 31, 2020	4,730.57

f. There are no expense for short-term leases and leases of low-value assets for the year ended March 31, 2020.

g. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at 31.03.2020 (in ₹ Thousands)
Less than one year	1,350.00
One to five years	2,700.00
More than five years	-
Total	4,050.00

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

37 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):	Year ended	Year ended
	31.03.2020	31.03.2019
(a) Claims against the company not acknowledged as debts:		
- Demand raised by Indian Bank*	239,800.88	239,800.88
- Other demand	36,305.07	36,305.07
(b) Other demands for which the company is contingently liable:		
-Sales Tax (Punjab VAT)	-	19,275.97
(c) Estimated amount of contracts remaining to be executed on capital account and not provided for	20,011.49	-

* Indian Bank (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. DRT vide order dated 24th July, 2018, quashed the original application(OA) and SARFAESI proceedings considering it to be premature and untenable. Further, DRT gave a liberty to the Bank to proceed under the SARFAESI act as and when it is held that the Bank has paid the amount by virtue of relevant provisions of the Indian Contract Act. Against this order, the Bank has filed appeal before Debt Recovery Appellate Tribunal (DRAT) which is pending for adjudication. Also refer note no 4 and 8

Note: Interest and other levies in addition to above to be ascertained at the time of final outcome of the adjudications.

38 RELATED PARTY DISCLOSURES

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

(a) Associate

Oswal Greentech Limited

(b) Key Managerial Personnel

Mrs. Aruna Oswal	Director
Mr. Anil Bhalla	Director
Mr. B.N. Gupta	CEO & Wholetime Director
Ms. Shikha Jain	Independent Director
Mr. Ramesh Kumar Khanna	Independent Director
Mr. Mohinder Pal Singh	Independent Director
Mr. Pulkit Gupta	Independent Director (Appointed w.e.f 15th May, 2018 & resigned w.e.f 20th June, 2018)
Mr. Vikram	Independent Director (Resigned w.e.f 15th June, 2018)
Mr. Praveen Chopra	Chief Financial Officer

(c) Other related parties

Aruna Abhey Oswal Trust The entity is controlled by a key managerial person

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

Particulars	Description	Current year	Previous year
(a) Associates			
Oswal Greentech Limited	Transactions during the year		
	Office rental and maintenance paid	1590.00	930.00
	Balances outstanding at year end		
	Lease liabilities	4,730.57	-
	Security deposit given	187.50	187.50
	Investment	2,375,808.28	2,375,808.28
(b) Key Management personnel			
(i) Mr. B. N. Gupta	Transactions during the year		
	Managerial Remuneration (short term Employee benefits)	2,575.60	2,575.60
	Managerial Remuneration (Other long term benefits)	-	1,002.50
	Managerial Remuneration (Post Employment benefits)	174.38	173.23
(ii) Mr. Praveen Chopra	Managerial Remuneration (short term Employee benefits)	1,827.02	1,576.92
	Managerial Remuneration (Other long term benefits)	-	141.48
	Managerial Remuneration (Post Employment benefits)	121.31	101.87
(iii) Mrs. Shikha Jain	Sitting Fees	285.00	240.00
(iv) Mr. Vikram	Sitting Fees	-	75.00
(v) Mr. Ramesh Kumar Khanna	Sitting Fees	165.00	90.00
(vi) Mr. Mohinder Pal Singh	Sitting Fees	105.00	75.00
(vii) Mr. Pulkit Gupta	Sitting Fees	-	30.00
	Balance outstanding at year end		
(i) Mr. B. N. Gupta	Managerial Remuneration payable	46.79	123.89
(ii) Mr. Praveen Chopra	Salary and Other Benefits Payable	25.75	71.81
(iii) Mrs. Shikha Jain	Sitting Fees Payable	40.50	54.00
(iv) Mr. Ramesh Kumar Khanna	Sitting Fees Payable	27.00	40.50
(v) Mr. Mohinder Pal Singh	Sitting Fees Payable	27.00	40.50
(c) Other related parties			
Aruna Abhey Oswal Trust	Transactions during the year		
	Rental Income (inclusive of applicable taxes)	1,800.00	1,800.00
	Balance outstanding at year end		
	Lease receivable (inclusive of applicable taxes net of TDS)	1,620.00	-

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.

39 SEGMENT INFORMATION

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

- Trading segment comprise of trading of goods
- 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 three 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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

S No.	Particulars	Current year	Previous year
(a)	Segment Revenue (from external customers)		
	Trading	146,052.91	-
	Investment	259,145.28	189,282.24
	Real Estate	0.21	-
	Unallocable	16.39	27,404.86
	Total Segment Revenue	405,214.79	216,687.10
(b)	Segment Result		
	Profit/(Loss) before tax and interest from each segment		
	Trading	2,820.12	
	Investment	232,178.57	173,380.30
	Real Estate	(31,631.39)	(26,633.43)
	Unallocable	(107,392.95)	(29,438.59)
	Less : Finance cost	868.45	510.66
	Profit before Tax	95,105.90	116,797.62
	Less: Current Tax	32,115.47	25,472.30
	Less: Deferred Tax	(6,616.48)	(1,404.03)
	Profit after Tax	69,606.91	92,729.35
(c)	Segment Assets		
	Trading	172,342.51	-
	Investment	5,046,198.64	5,066,496.74
	Real Estate	740,748.60	659,173.21
	Unallocable	130,316.67	105,957.51
	Total Assets	6,089,606.42	5,831,627.46
(d)	Segment Liabilities		
	Trading	169,014.97	-
	Investment	6,624.29	4,644.63
	Real Estate	6,926.31	4,378.44
	Unallocable	37,851.71	20,565.88
	Total Liabilities	220,417.28	29,588.95
(e)	Other Information		
	(i) Capital expenditure		
	Investment	-	-
	Real Estate	-	6,979.38
	Unallocable	-	75.00
	(ii) Interest revenue		
	Investment	239,218.11	118,913.98
	Real Estate	0.21	-
	Unallocable	16.39	15.09
	(iii) Depreciation		
	Investment	1,262.66	368.14
	Real Estate	412.32	235.36
	Unallocable	1,998.67	1,505.66

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

Note 2: Revenue from two (two in previous year) customers exceeded 10% of the company's revenue viz. ₹ 1,46,052.91 thousand (previous year ₹ Nil) arising from trading of fibre cables under trading segment and ₹ 84,580.55 thousand (previous year ₹ 97,463.84 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

40 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 31-03-2020	As at 31-03-2019
Segue Enterprise Private Limited	9,500.00	20,000.00
Jagran Developers Private Limited	-	467,500.00
Opelina Finance and Investment Limited	811,500.00	671,500.00
Minerals Management Services (I) Private Limited	387,500.00	-
J C Broswon United Private Limited	60,000.00	-
Uppal Housing Private Limited	350,000.00	-
Uppal Projects Private Limited	300,000.00	300,000.00
Gagan Infraenergy Limited	6,000.00	166,000.00
TOTAL	1,924,500.00	1,625,000.00

All the above loans have been given for business purposes of the borrower.

II. Particulars of investment made are given in Note no. 5, 6 and 12

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

IV. Employee Loans given as per Company's policy have not been considered for the above disclosure.

41 FINANCIAL INSTRUMENTS

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 are as follows:

Particulars	As at 31.03.2020		As at 31.03.2019	
	Carrying value	Fair value	Carrying value	Fair value
FINANCIAL ASSETS				
At fair value through other comprehensive income (FVTOCI)				
Non Current				
Investments	130,208.02	130,208.02	131,972.00	131,972.00
At fair value through profit or loss (FVTPL)				
Current				
Investments	233,418.28	233,418.28	815,243.31	815,243.31
At amortised cost				
Non Current				
i) Loans	703,985.30	703,985.30	833,357.30	833,357.30
Current				
i) Trade receivables	172,342.51	172,342.51	-	-
ii) Cash and cash equivalents	325,911.80	325,911.80	6,127.63	6,127.63
iii) Bank Balances other than cash and cash equivalents	-	-	194.09	194.09
iv) Loans	1,221,788.00	1,221,788.00	792,630.29	792,630.29
v) Other financial assets	32,112.20	32,112.20	89,347.67	89,347.67
Total Financial Assets	2,819,766.11	2,819,766.11	2,668,872.29	2,668,872.29
FINANCIAL LIABILITIES				
At amortised cost				
Non Current				
(i) Lease liabilities	2,458.29	2,458.29	-	-
Current				
(i) Trade Payable	169,014.97	169,014.97	-	-
(ii) Lease liabilities	2,272.28	2,272.28	-	-
(iii) Other financial liabilities	5,128.17	5,128.17	8,861.92	8,861.92
Total Financial Liabilities	178,873.71	178,873.71	8,861.92	8,861.92

The fair value of the financial assets and liabilities is determined 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 and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and the transactions being entered into at arm's length. 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 assets as at 31st March, 2020 and 31st March, 2019 that the company has provided as collateral for obtaining borrowings and other facilities from the bankers as follows:

Particular	As at 31-03-2020	As at 31-03-2019
Gross carrying amount of Investment Property	293.24	293.24
Fixed deposits with banks- Non current	33,409.46	33,409.46

42 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, 2020 and 31st March, 2019.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March, 2020 and 31st March 2019:

Particulars	Financial assets measured at FVTPL	Financial assets measured at FVTOCI	Assets for which fair value is disclosed
	Investment in Mutual funds	Investment in equity instruments	Investment properties
Carrying Value as at 31 st March, 2020	233,418.28	130,208.02	23,993.49
Fair valuation as at 31st March, 2020			
Level 3	-	130,208.02	246,780.00
Level 2	-	-	-
Level 1	233,418.28	-	-
Carrying Value as at 31 st March, 2019	815,243.31	131,972.00	24,361.63
Fair valuation as at 31st March, 2019			
Level 3	-	131,972.00	241,166.52
Level 2	-	-	-
Level 1	815,243.31	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended on 31st March, 2020 or on 31st March 2019.

A one percent change in the unobservable inputs used in fair valuations of level 3 assets 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 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 present market circle rates, location of the property, local enquiries, information from the local property brokers, latest market transactions etc. The fair value of the equity instruments measured at FVTOCI is determined on the basis of the valuation report of an independent valuer who determines the value as per the financials of the investee, use of available fair values of the investee's assets, assumptions suitable to the method of valuation adopted and key data from the management of the investor for valuation purposes as obtained from the investee.

Impact in statement of profit and loss:

Particulars	As at 31-03-2020	As at 31-03-2019
Opening Balance of investment valued using level 3 inputs	131,972.00	141,271.51
Add/(Less): Fair value changes for the year recognised in other comprehensive income	(1,763.99)	(9,299.51)
Closing balances	130,208.01	131,972.00

43 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 creditor for expenses and other financial liabilities. These other financial liabilities mainly comprise of creditors for expenses and employee benefits payable.

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:

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 ₹ 21,27,303.69 thousand as at March 31, 2020 i.e., 75.44% (₹ 16,55,469.69 thousand as at March 31, 2019 i.e., 62.03%). 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 31.03.2020 and as at 31.03.2019 is as follows:

Particulars	As at 31-03-2020	As at 31-03-2019
Investments (Non current and current)	363,626.30	947,215.31
Loans (Non current and current)	1,925,773.30	1,625,987.59
Trade receivables	172,342.51	-
Cash and cash equivalents	325,911.80	6,127.63
Bank Balances other than cash and cash equivalents	-	194.09
Others financial assets	32,112.20	89,347.67
Total	2,819,766.11	2,668,872.29

(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, 2020 or March 31, 2019 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 2020, the company had a working capital of ₹ 25,03,195.37 thousand (Previous year ₹ 23,24,699.40 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 ₹ 7,31,672.59 thousand (Previous year ₹ 8,21,370.94 thousand) as against the total current liabilities of ₹ 2,16,288.19 thousand (Previous year ₹ 27,912.23 thousand) which clearly establishes very strong liquidity position of the company.

The maturity analysis of the financial liabilities of the company as at 31.03.2020 is given as below:

Particulars	As at 31.03.2020		
	Less than 1 Year	1-2 Years	2 Years and above
Lease liabilities	2,272.28	1,167.99	1,290.30
Trade Payables	169,014.97	-	-
Other financial liabilities	5,128.17	-	-
Total	176,415.42	1,167.99	1,290.30

The maturity analysis of the financial liabilities of the company as at 31.03.2019 is given as below:

Particulars	As at 31.03.2019		
	Less than 1 Year	1-2 Years	2 Years and above
Other financial liabilities	8,861.92	-	-
Total	8,861.92	-	-

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

Nature of Liability	VAT Cases	Provident Fund	Civil Case	Total
Particulars of Dispute	Demand for VAT	Demand for contribution to provident fund	Share Certificate Dispute	
Opening Provision	-	11,715.21	285.00	12,000.21
Provision made during the year	19,275.97	-	-	19,275.97
Provision reduced/utilised during the year	-	-	-	-
Closing Provision	19,275.97	11,715.21	285.00	31,276.18

- Notes:**
- i) The case for contribution to provident fund is pending before the apex court and will be paid on the basis of the final judgement.
 - ii) Provisions are made herein for medium risk oriented issues as a measure of abundant precaution.
 - iii) Remote risk possibility of cash outflows is presumed pertaining to contingent liabilities as listed in note no. 37

45 CORPORATE SOCIAL RESPONSIBILITY:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were allocated to PM CARES FUND for COVID-19 relief covered under activities specified in Schedule VII of the Companies Act, 2013.

- a) Gross amount required to be spent by the company during the year is ₹ 790.72 thousand.
- b) Amount actually spent by the company during the year is ₹ 5,100.00 thousand as contribution towards PM CARES fund for COVID-19 relief.

46 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.
- (ii) As per the internal assessment of the company, there is no non financial asset and investment in associate accounted for in accordance with IND AS 27 requiring allowance for impairment in compliance of IND AS 36 on "Impairment of Assets" other than already provided for, if any.
- (iii) Based on the information available with the company, there are no dues as at March 31, 2020 and March 31, 2019 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.
- (iv) One of the shareholder of the company had filed a petition under Sections 241, 242 read with Sections 244 of the Companies Act, 2013, against the company seeking relief against various acts of oppression and mismanagement before the NCLT, Chandigarh. The appeal filed by the company challenging the maintainability before NCLAT, New Delhi was dismissed during the year. Against the order of NCLAT, the Company had preferred an appeal in the Supreme Court, which is heard and reserved for judgement
- (v) The company was incorporated on 14.12.1979 and has been carrying on the real estate and other non-financial activities. However, for the first time for the financial year ended 31.03.2019, the company's financial assets constituted more than 50 per cent of its total assets and the income from financial assets also constituted more than 50 per cent of its gross income, resulting in meeting the '50-50' test for determining financial activity as a principal business and accordingly as per press release 1998-99/1269 dated 08.04.1995, it got covered under the definition of NBFC. Accordingly, the company had decided to make an application with RBI for obtaining the registration as NBFC vide Board Resolution dated July 26, 2019 and also decided not to enter into any fresh financial activity w.e.f July 26, 2019, since only the financial transactions prior to 26th July, 2019 were continuing.

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

However, the Board later on decided, in its meeting dated February 7, 2020, not to proceed further with the registration as NBFC, considering the fact that meeting the '50-50' criteria was a one-time event on account of temporary reasons viz. business cycles etc. and that the company intended to continue only non-financial activity as its principal activity. In fact, during the FY 2019-20, the company had undertaken substantial non-financial/trading transactions, but due to the on-going COVID- 19 pandemic and the subsequent nation-wide lockdown, the total income of the company from the non-financial activities could not be more than 50 per cent of the gross income for the FY 2019-20 as was envisaged by its Board of Directors in their meeting held on February 7, 2020. Further, the company has not accepted any public deposits nor does it have any liability to Banks/Financial Institutions.

As, the Company intends to continue with the non-financial activities as its principal business, it has been decided to approach RBI, based on legal advice, to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the company and as such seek condonation for default in not filing application with RBI for registration as NBFC and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934. Consequently, the financial statements and the disclosures for FY 2019-20 have been prepared in accordance with Division II of Schedule III to the Companies Act, 2013 applicable to Non-NBFCs.

As per our report of even date attached

For Agarwal & Dhandhanias
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAT3106

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

B N Gupta
CEO and Wholetime Director
DIN : 00562338
Place : New Delhi
Date : 25.06.2020

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 25.06.2020

Anil Bhalla
Director
DIN : 00587533
Place: New Delhi
Date : 25.06.2020

Gopal
Company Secretary
Place: New Delhi
Date : 25.06.2020

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Oswal Agro Mills Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **Oswal Agro Mills Limited** (hereinafter referred to as the "Holding Company") and its associate, which comprise the consolidated balance sheet as at 31st March, 2020, and the consolidated statement of Profit and Loss (including Other Comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 Holding Company and its associate as at March 31, 2020, and consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note 47(v) of the consolidated financial statements whereby the holding company has become a NBFC w.e.f 01.04.2019. However, the holding company has neither filed an application with RBI for its registration as NBFC nor complied with the relevant rules and regulations applicable to a NBFC. Further, the consolidated financial statements for the FY 2019-20 are not prepared in accordance with division III of Schedule III to the Companies Act 2013 as applicable to a NBFC.

In this regard, the holding company is in process to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the company and as such seek condonation for default in not filing application with RBI for registration as NBFC and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934.

The effects on the consolidated financial statements of the aforesaid non-compliances cannot be determined.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated Financial Statements* section of our report. We are independent of the Holding Company and associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in or report.

Key Audit Matter	How our audit addressed the Key Audit Matter
Contingent liabilities; There are various pending cases against which demand has been raised by different authority.	<p>For legal and regulatory matters our procedures included the following:</p> <ul style="list-style-type: none"> ➤ Assessing the processes and control over legal matters; ➤ Reviewing the Holding Company's significant legal matters and other contractual claims; ➤ performing substantive procedures on the underlying calculations of potential liability; ➤ where relevant, reading external legal opinions obtained by management; ➤ where relevant, obtaining written confirmation from external legal counsels on the status of the cases ➤ Reviewing the adequacy and completeness of the Holding company's disclosures. <p>Based on the work performed, we found the disclosures made by the management in notes 37 and 44 of the consolidated financial statements are sufficient.</p>
The Holding company has deferred tax assets in respect of long-term capital losses on sale of investment. There is inherent uncertainty involved in forecasting future taxable long-term capital gains, which determines the extent to which deferred tax assets are or are not recognized.	<p>Deferred tax assets in respect of deductible capital losses on sale of investments have been recognized to the extent of expected capital gains, being the difference between the fair market value and indexed cost as at the end of the reporting period, on disposal of the Investment property. In this regard we obtained the valuation report from an independent expert for determining the fair market value as on the reporting date and assessed the recoverability of the long-term capital losses against the future taxable profits, taking in to account the company's tax position, and our knowledge and experience of the application of relevant tax legislation.</p> <p>Based on the work performed, we found the disclosures made by the management in note 9 of the consolidated financial statements are sufficient.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in the term of requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Holding Company and its associate in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of directors of the Holding Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company and its associate 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, respective Board of Directors of the Holding company and of its associate are responsible for assessing the ability of the Holding Company's and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of directors either intends to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and of its associate are also responsible for overseeing the financial reporting process of the Holding Company and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the holding company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information or business activities of the Holding Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and its associate included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and except for the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to the preparation of the Consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including Other Comprehensive income), the consolidated statement of changes in equity and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.;
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its associate company incorporated in India, none of the directors of the Holding Company and its associate company incorporated in India, is disqualified as on 31st March, 2020 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 with respect to financial statements of the Holding Company and its associate which is incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and associate company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) 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 financial statements disclose the impact of pending litigations on its consolidated financial position of the Holding Company and of its associate— Refer Note 37 to the consolidated financial statements;
 - ii. The Holding Company and its associate 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 its associate incorporated in India.

For **Agarwal & Dhandhan**
Chartered Accountants
Firm Registration No. 125756W

Sanjay Agarwal
(Partner)
Membership No. 078579
Place of Signature : Surat
Date : 25.06.2020
UDIN : 20078579AAAAV3498

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 financial statements for the year ended 31st March, 2020

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to consolidated financial statements of **Oswal Agro Mills Limited** ("the Holding Company") and its associate as of 31st March, 2020 in conjunction with our audit of the consolidated financial statements of the Holding Company and its associate for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to consolidated financial statements

The respective Board of Directors of the Holding Company and its associate incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with respect to financial statements 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 with reference to financial statements 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") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with respect to financial statements 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 with respect to financial statements and their operating effectiveness. Our audit of internal financial control with respect to financial statements included obtaining an understanding of internal financial control with respect to financial statements, 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 with respect to financial statements.

Meaning of Internal Financial Controls with respect to financial statements

A Company's internal financial control with respect to financial statements 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 with respect to financial statements 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 with respect to financial statements

Because of the inherent limitations of internal financial controls with respect to financial statements, 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 with respect to financial statements to future periods are subject to the risk that the internal financial controls with respect to financial statements 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 Holding Company and its associate incorporated in India, have, in all material respects, an adequate internal financial controls system with respect to financial statements and such internal financial controls with respect to financial statements were operating effectively as at 31st March, 2020, based on the internal controls with respect to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Agarwal & Dhandhania**
Chartered Accountants
Firm Registration No. 125756W

Sanjay Agarwal
(Partner)
Membership No. 078579
Place of Signature : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAV3498

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2020

(₹ in thousand)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	50,302.11	52,489.47
(b) Investment Property	4	23,993.49	24,361.63
(c) Right-of-use assets	36	3,354.48	-
(d) Investment in associate	5	4,166,438.32	3,915,129.74
(e) Financial Assets			
(i) Investments	6	130,208.02	131,972.00
(ii) Loans	7	703,985.30	833,357.30
(iii) Other financial assets	8	-	-
(f) Deferred Tax Assets (net)	9	53,535.38	46,918.90
(g) Income Tax Assets (net)		23,985.35	6,997.68
(h) Other non-current assets	10	4,950.43	7,110.57
		5,160,752.88	5,018,337.29
(2) Current assets			
(a) Inventories	11	648,885.17	648,885.17
(b) Financial Assets			
(i) Investments	12	233,418.28	815,243.31
(ii) Trade Receivables	13	172,342.51	-
(iii) Cash and cash equivalents	14	325,911.80	6,127.63
(iv) Bank Balances other than cash and cash equivalents	15	-	194.09
(v) Loans	16	1,221,788.00	792,630.29
(vi) Other financial assets	17	32,112.20	89,347.67
(c) Other current assets	18	85,025.62	183.47
		2,719,483.58	2,352,611.63
Total Assets		7,880,236.46	7,370,948.92
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	19	1,342,347.76	1,342,347.76
(b) Other equity	20	6,317,471.42	5,999,012.21
		7,659,819.18	7,341,359.97
Liabilities			
(2) Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	36	2,458.29	-
(b) Provisions	21	1,670.78	1,676.72
		4,129.07	1,676.72
(3) Current liabilities			
(a) Financial Liabilities			
(i) Trade Payable	22	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		169,014.97	-
(ii) Lease liabilities	36	2,272.28	-
(iii) Other financial liabilities	23	5,128.17	8,861.92
(b) Other current liabilities	24	33,057.73	14,378.33
(c) Provisions	25	6,815.06	4,671.98
		216,288.21	27,912.23
Total Equity and Liabilities		7,880,236.46	7,370,948.92

III. SIGNIFICANT ACCOUNTING POLICIES

2

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

As per our report of even date attached

For Agarwal & Dhandhania
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAV3498

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

B N Gupta
CEO and Wholetime Director
DIN : 00562338
Place : New Delhi
Date : 25.06.2020

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 25.06.2020

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 25.06.2020

Gopal
Company Secretary
Place : New Delhi
Date : 25.06.2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020
 (₹ in thousand)

Particulars	Note No.	Year Ended 31.03.2020	Year Ended 31.03.2019
I Revenue from operations	26	146,052.91	-
II Other income	27	259,161.88	216,687.10
III Total Income (I+II)		405,214.79	216,687.10
IV Expenses:			
Purchases of stock-in-trade	28	143,232.79	-
Employee benefits expense	29	17,368.32	15,662.23
Finance costs	30	868.45	510.66
Depreciation and amortisation expense	31	3,673.65	2,109.16
Other expenses	32	144,965.68	81,607.43
Total expenses (IV)		310,108.89	99,889.48
V Profit before tax (III-IV)		95,105.90	116,797.62
VI Tax expense:	33		
- Current tax		32,115.47	25,472.30
- Deferred tax		(6,616.48)	(1,404.03)
VII Profit for the year after tax but before share of net profits of investments accounted for using equity method (V-VI)		69,606.91	92,729.35
VIII Share of net profit of associate accounted for using the equity method		254,277.02	171,083.34
IX Profit for the year after tax (VII+VIII)		323,883.93	263,812.69
X Other Comprehensive Income			
A. Items that will be reclassified to profit or loss		-	-
B. Items that will not be reclassified to profit or loss			
- Fair value gain/(loss) on equity instruments through OCI		(1,763.99)	(9,299.51)
- Net Gain/(loss) on remeasurement of defined benefit plan		(692.29)	277.31
- Share of other comprehensive income/(loss) of associate accounted for using equity method		(2,968.44)	207.21
- Income tax relating to these items		-	-
Total Other Comprehensive Income/(Loss)		(5,424.72)	(8,814.99)
XI Total Comprehensive income/(loss) for the year (IX+X)		318,459.21	254,997.70
XII Profit/(Loss) for the year attributable to:			
- Owners of the Company		323,883.93	263,812.69
- Non-controlling interests		-	-
XIII Other comprehensive income/(loss) for the year attributable to			
- Owners of the Company		(5,424.72)	(8,814.99)
- Non-controlling interests		-	-
XIV Total comprehensive income for the year attributable to			
- Owners of the Company		318,459.21	254,997.70
- Non-controlling interests		-	-
XV Earnings per equity share (Face Value of ₹ 10/- each)	34		
Basic/Diluted		2.41	1.97
XVI Significant Accounting Policies	2		

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

As per our report of even date attached

For Agarwal & Dhandhania
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAV3498

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

B N Gupta
CEO and Wholetime Director
DIN : 00562338
Place : New Delhi
Date : 25.06.2020

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 25.06.2020

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 25.06.2020

Gopal
Company Secretary
Place : New Delhi
Date : 25.06.2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020 (₹ in thousand)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
I. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	95,105.90	116,797.62
Adjustments for:		
- Depreciation and amortisation expense	3,673.65	2,109.16
- Finance costs	868.45	510.66
- Interest income on financial assets at amortised cost at EIR	(239,234.71)	(118,929.07)
- Net gain on financial assets carried at FVTPL	(15,888.64)	(26,658.93)
- Dividend income on financial assets carried at FVTPL	(2,513.11)	(41,909.33)
- Rental Income on investment property	(1,525.42)	(1,800.00)
- Balances written off	1,333.58	-
- Non Cash Legal Claims	-	285.00
- Provisions no longer required written back	-	(55.00)
- Movement in provision for employee benefits expense	969.33	(785.50)
Operating profit before working capital changes and tax	(157,210.97)	(70,435.39)
Adjustments for changes in working capital:		
- (Increase)/Decrease in non financial assets	(82,835.59)	222,950.93
- (Increase)/Decrease in current and non-current financial assets	(172,722.80)	(6,637.07)
- Increase/(Decrease) in other current liabilities	18,679.40	(8,998.15)
- Increase/(Decrease) in Trade Payables and other current financial liabilities	165,281.21	(46.78)
Cash generated from operations before tax	(228,808.75)	136,833.54
- Income Taxes (Payment)/Refund	(49,103.13)	(29,143.51)
Net cash from/(used in) operating activities	(277,911.88)	107,690.03
II. CASH FLOWS FROM INVESTING ACTIVITIES		
- Purchase of property, plant and equipment	(1,180.00)	(7,054.38)
- Purchase of current investments	(1,327,500.00)	(1,275,133.37)
- Sale of current investments	1,924,253.31	1,743,758.58
- Extending of intercorporate loans	(1,477,500.00)	(840,000.00)
- Repayment of intercorporate loans	1,178,000.00	157,500.00
- Movement in Fixed Deposits	194.09	(12.39)
- Movement in Future and option contracts (measured at fair value through profit and loss)	58,867.49	(58,867.49)
- Lease Income on investment property received	-	1,800.00
- Realised profit in trading of futures and options	960.37	2,849.12
- Realised profit in trading of mutual funds	-	122.46
- Dividend Received	2,513.11	43,897.42
- Interest Received	239,222.68	110,079.37
Net cash from/(used in) investing activities	597,831.05	(121,060.68)
III. CASH FLOWS FROM FINANCING ACTIVITIES		
- Payment of Lease liabilities	(135.00)	-
Net cash generated from/(used in) financing activities	(135.00)	-
Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)	319,784.17	(13,370.65)
Cash and cash equivalents at the beginning of the year	6,127.63	19,498.28
Cash and cash equivalents at the end of the year	325,911.80	6,127.63
IV. Components of Cash and cash equivalents as per Note 14		
Balances with banks		
-in Current Account	10,840.53	5,625.99
Cash on hand	845.44	501.64
Cheques in hand	164,017.81	-
Fixed Deposits with banks (with maturity of 3 months or less)	150,208.02	-
Total	325,911.80	6,127.63
V. Significant accounting policies and notes forms an integral part of consolidated financial statement		

Notes :

- 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.
- Figures in brackets indicate cash outgo.
- 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 Agarwal & Dhandhanja
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAV3498

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

B N Gupta
CEO and Wholtime Director
DIN : 00562338
Place : New Delhi
Date : 25.06.2020

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 25.06.2020

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 25.06.2020
Gopal
Company Secretary
Place : New Delhi
Date : 25.06.2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020
 (Amount in ₹ thousand unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	As at 31.03.2020	As at 31.03.2019
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		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Fair value gain/(loss) on equity instruments through OCI	Remeasurement of defined benefit plan	
Balance as at April 1, 2018	4,464,882.64	1,500.00	318,976.09	1,099,044.79	(137,406.18)	(2,982.83)	5,744,014.51
Profit for the year 2018-19	-	-	-	92,729.35	-	-	92,729.35
Share of net profit of associate accounted for using the equity method for 2018-19	-	-	-	171,083.34	-	-	171,083.34
Other comprehensive income for 2018-19	-	-	-	-	(9,299.51)	277.31	(9,022.20)
Share of other comprehensive income/(loss) of associate accounted for using equity method for 2018-19	-	-	-	-	(1.73)	208.94	207.21
Balance as at March 31, 2019	4,464,882.64	1,500.00	318,976.09	1,362,857.48	(146,707.42)	(2,496.58)	5,999,012.21
Profit for the year for 2019-20	-	-	-	69,606.91	-	-	69,606.91
Share of net profit of associate accounted for using the equity method for 2019-20	-	-	-	254,277.02	-	-	254,277.02
Other comprehensive income for 2019-20	-	-	-	-	(1,763.99)	(692.29)	(2,456.28)
Share of other comprehensive income/(loss) of associate accounted for using equity method for 2019-20	-	-	-	-	(1.49)	(2,966.95)	(2,968.44)
Balance as at March 31, 2020	4,464,882.64	1,500.00	318,976.09	1,686,741.41	(148,472.90)	(6,155.82)	6,317,471.42

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

As per our report of even date attached

For Agarwal & Dhandhanja
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAV3498

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

B N Gupta
CEO and Wholetime Director
DIN : 00562338
Place : New Delhi
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Chief Financial Officer
Place : New Delhi
Date : 25.06.2020

Anil Bhalla
Director
DIN : 00587533
Place: New Delhi
Date : 25.06.2020

Gopal
Company Secretary
Place: New Delhi
Date : 25.06.2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020
(Amount in ₹ thousand unless otherwise stated)**1.A. GROUP'S 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's shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The principal business of the holding company is trading/development of real estate, trading of goods etc. 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 June 25, 2020. The group consists of an associate company dealing in real estate business.

1.B. PRINCIPALS OF CONSOLIDATION**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 for certain financial instruments which are measured at fair values), 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 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after, 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 (to the extent notified)/Companies Act, 1956.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

(c) Basis of Measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis except for the employees' defined benefits 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.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, loan receivables and others. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group, as at the date of approval of these consolidated financial statements has used internal and external sources of information including financial reports and related information and economic forecasts. The

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

group estimates no major impact of COVID-19 on the group's consolidated financial statements. However, the actual impact may differ from that estimated as at the date of approval of these consolidated financial statements.

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 Contingencies:** The assessments undertaken in recognising 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 alter.
- 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 group 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) **Leases:** Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the group has concluded that no changes are required to lease period relating to the existing lease contracts
- v) **Allowance for credit losses on receivables:** The group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The group considered current and anticipated future economic conditions relating to industries the group deals with. In calculating expected credit loss, the group has also considered various related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.
- vi) **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 consolidated financial statements of the group are measured using Indian Rupee (₹) which is the functional currency of the group and the currency of the primary economic environment in which the entity operates. The presentation currency of the group 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 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 on which 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 inter corporate deposits, trade receivables, security deposits, cash and cash equivalents

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 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). On derecognition of the equity instrument measured at FVTOCI, cumulative gain or loss previously recognised in OCI are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity.

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. Derivative financial instruments are always measured at FVTPL.

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 qualifies 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) is 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 used. 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.

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 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 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Depreciation on tangible assets in relation to Project at Chembur, Mumbai 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.

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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each consolidated Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

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 off 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 associate

Investment in associate is recognised at cost less impairment. Dividend income from associate 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 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 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.

I. Leases

The group as a lessee

The group's lease asset primarily consist of lease for building. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the group. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows for the purpose of Cash Flow Statement.

The group as a lessor

Leases for which the group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

J. 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.

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

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue from the sale of Flat/Plots is measured at the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc).

Interest income is recognized as it accrues in Statement of Profit and Loss using the effective interest method..

L. 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.

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 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 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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

Earned Leave Encashment and Sick Leave

The employees of the group are entitled to earned leaves and sick leaves. The employees can carry forward a portion of the unutilised earned leaves and utilise it in future periods or receive cash at retirement or termination of employment. The employees can carry forward the unutilised sick leaves and utilise it in future periods and it lapses at retirement or termination of employment. The group records an obligation for earned leave and sick leaves in the period in which the employee renders the services that increases this entitlement. The group measures the expected cost of earned leave and sick leave 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 earned leave and sick leave 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.

P. 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.

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 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)

NOTES RELATED TO CONSOLIDATED BALANCE SHEET
3 PROPERTY, PLANT AND EQUIPMENT

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2020

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 1.04.2019	Additions	Disposal/ Adjust- ments	As at 31.03.2020	As at 1.04.2019	For the year	Adjust- ments During the Year	As at 31.03.2020	As at 31.03.2020	As At 31.03.2019
Land										
-Freehold	11,356.81	-	-	11,356.81	-	-	-	-	11,356.81	11,356.81
Buildings										
-Freehold	34,674.65	-	-	34,674.65	3,486.20	871.55	-	4,357.75	30,316.90	31,188.45
Plant & Equipments	1,833.38	-	-	1,833.38	639.06	220.74	-	859.80	973.58	1,194.32
Furniture & Fixtures	140.03	-	-	140.03	94.16	13.23	-	107.39	32.64	45.87
Vehicles	9,717.38	-	-	9,717.38	1,242.67	1,067.59	-	2,310.26	7,407.12	8,474.71
Office Equipment	316.65	-	-	316.65	108.53	14.25	-	122.78	193.87	208.12
Others										
-Computers	21.47	-	-	21.47	0.28	-	-	0.28	21.19	21.19
Total	58,060.37	-	-	58,060.37	5,570.90	2,187.36	-	7,758.26	50,302.11	52,489.47

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2019

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 1.04.2018	Additions	Disposal/ Adjust- ments	As at 31.03.2019	As at 1.04.2018	For the year	Adjust- ments During the Year	As at 31.03.2019	As at 31.03.2019	As At 31.03.2018
Land										
-Freehold	11,356.81	-	-	11,356.81	-	-	-	-	11,356.81	11,356.81
Buildings										
-Freehold	34,674.65	-	-	34,674.65	2,614.65	871.55	-	3,486.20	31,188.45	32,060.00
Plant & Equipments	1,833.38	-	-	1,833.38	377.02	262.04	-	639.06	1,194.32	1,456.36
Furniture & Fixtures	140.03	-	-	140.03	75.57	18.59	-	94.16	45.87	64.46
Vehicles	2,738.00	6,979.38	-	9,717.38	656.45	586.22	-	1,242.67	8,474.71	2,081.55
Office Equipment	241.65	75.00	-	316.65	105.91	2.62	-	108.53	208.12	135.74
Others										
-Computers	21.47	-	-	21.47	0.28	-	-	0.28	21.19	21.19
Total	51,005.99	7,054.38	-	58,060.37	3,829.88	1,741.02	-	5,570.90	52,489.47	47,176.11

4 INVESTMENT PROPERTY

The following table shows changes in investment property during the year ended 31st March, 2020

Particulars	Gross carrying amount				Accumulated Depreciation/Amortisation				Net carrying amount	
	As at 1.04.2019	Additions	Disposal/ Adjust- ments	As at 31.03.2020	As at 1.04.2019	For the year	Adjust- ments During the Year	As at 31.03.2020	As at 31.03.2020	As At 31.03.2019
Land										
-Leasehold	293.24	-	-	293.24	17.68	4.42	-	22.10	271.14	275.56
-Freehold	3,088.24	-	-	3,088.24	-	-	-	-	3,088.24	3,088.24
Buildings										
-Freehold	22,452.71	-	-	22,452.71	1,454.88	363.72	-	1,818.60	20,634.11	20,997.83
Total	25,834.19	-	-	25,834.19	1,472.56	368.14	-	1,840.70	23,993.49	24,361.63

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

The following table shows changes in investment property during the year ended 31st March, 2019

Particulars	Gross carrying amount			Accumulated Depreciation /Amortisation				Net carrying amount		
	As at 1.04.2018	Additions	Disposal/ Adjust- ments	As at 31.03.2019	As at 1.04.2018	For the year	Adjust- ments During the Year	As at 31.03.2019	As at 31.03.2019	As At 31.03.2018
Land										
-Leasehold	293.24	-	-	293.24	13.26	4.42	-	17.68	275.56	279.98
-Freehold	3,088.24	-	-	3,088.24	-	-	-	-	3,088.24	3,088.24
Buildings										
-Freehold	22,452.71	-	-	22,452.71	1,091.16	363.72	-	1,454.88	20,997.83	21,361.55
Total	25,834.19	-	-	25,834.19	1,104.42	368.14	-	1,472.56	24,361.63	24,729.77

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

(i) Amount recognised in Statement of profit and loss for investment properties	For the year Ended 31.03.2020	For the year Ended 31.03.2019
Rental income	1,525.42	1,800.00
Direct operating expenses for property that generated rental income	262.71	247.81
Direct operating expenses for property that did not generate rental income	2,801.85	3,402.60

(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 ₹ 271.14 thousand (previous year ₹ 275.56 thousand) has been kept as security against the facility obtained by holding company in earlier years from Indian bank with which the legal dispute is going on as per Note No. 37.
- (b) The Holding 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.

(iii) Leasing arrangements

One of the investment property is leased under non-cancellable operating lease with rental payable monthly for a period of 29 years and 11 months. Minimum future lease payments receivable under non-cancellable operating lease of investment property are as follows-

	Current year	Previous year
Within one year ₹	1,525.42	1,800.00
later than one year but not later than 5 years	6,101.69	7,200.00
later than 5 years	32,669.49	40,350.00
(iv) Fair Value of investment property	As at 31-03-2020	As at 31-03-2019
Investment properties	246,780.00	241,166.52

Estimation of fair value

The holding 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
- 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 an 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

5 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
Interest in other entities
(a) Interest in associates

Name of Entity	Principal place of business	Ownership interest held by the group	Accounting method
Oswal Greentech Limited*	India	35.58%	Equity Method

*The company engages primarily in real estate business. It is a strategic investment and may collaborate with the group's knowledge in real estate

(b) Investments accounted for using the equity method

Name of Entity	Carrying Amount		Quoted Fair Value	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Oswal Greentech Limited	4,166,438.32	3,915,129.74	685,381.52	1,423,765.88

Aggregate amount of quoted investments 4,166,438.32 3,915,129.74

Aggregate market value of quoted investments 685,381.52 1,423,765.88

Aggregate amount of un-quoted investments - -

Aggregate amount of impairment in value of investments - -

(c) Summarised financial information for associate

The table below provides summarised financial information for associate that are material to the group. The information disclosed reflects the amounts presented in the consolidated financial statements of the relevant associate.

Summarised balance sheet	Oswal Greentech Limited	
	31.03.2020	31.03.2019
Current Assets	8,312,184.49	13,882,397.93
Non Current Assets	16,035,736.45	9,680,133.85
Current Liabilities	392,893.96	370,893.67
Non Current Liabilities	90,713.12	33,555.13
Net Assets (Total Assets minus total liabilities)	23,864,313.86	23,158,082.98
Revenue	1,171,560.15	1,125,043.85
Profit/(loss) after tax	714,572.83	480,780.78
Other Comprehensive income	(8,341.95)	582.30
Total Comprehensive income	706,230.88	481,363.08

(d) Reconciliation of the carrying amounts of the investment in associate accounted for using the equity method:

Particulars	Oswal Greentech Limited	
	31.03.2020	31.03.2019
Opening net assets	23,158,082.98	22,676,719.90
Profit for the year	714,572.83	480,780.78
Other comprehensive income	(8,341.95)	582.30
Closing net assets	23,864,313.86	23,158,082.98
Group's share in %	35.58%	35.58%
Group's share in ₹ thousands	8,491,991.91	8,240,683.33
Less: proportion of pre-acquisition net worth	4,325,553.59	4,325,553.59
Carrying amount of investment	4,166,438.32	3,915,129.74

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

FINANCIAL ASSETS

6	INVESTMENTS	As at 31.03.2020	As at 31.03.2019
	Investments in Equity Instruments		
	Investment at fair value through other comprehensive income (FVTOCI), (Unquoted)		
	Other Company		
	P C Media Systems Limited		
	1,44,51,500 Equity Shares (31st March, 2019: 1,44,51,500) of ₹ 10/- each fully paid	130,208.02	131,972.00
	Total	130,208.02	131,972.00
	Aggregate amount and market value of quoted investments	-	-
	Aggregate amount of un-quoted investments	130,208.02	131,972.00
	Aggregate amount of impairment in value of investments	-	-
7	LOANS		
	(Unsecured, considered good)		
	Security deposits	857.30	857.30
	Other loans		
	- Inter corporate deposits (Considered Good)	703,000.00	832,500.00
	- Loan to employees	128.00	-
	Total	703,985.30	833,357.30
8	OTHER FINANCIAL ASSETS		
	Fixed Deposits with banks (For Margin Money)	33,409.46	33,409.46
	Less: Allowance for credit losses*	(33,409.46)	(33,409.46)
	Total	-	-
	*Allowance in respect of fixed deposits encashed by Indian Bank. Refer note 37		
9.	DEFERRED TAX ASSETS/LIABILITIES (NET)		
(a)	Deferred tax (assets)/liabilities relate to the following:		
	Particulars	As at 31.03.2020	As at 31.03.2019
	Deferred Tax Liabilities		
	Mutual Funds measured at FVTPL	2,321.70	214.54
		2,321.70	214.54
	Deferred Tax Assets		
	Employee benefits expense	(2,135.72)	(1,766.21)
	Property, Plant and Equipment and Investment Property	(11,861.85)	(10,133.73)
	Deductible capital losses under Income Tax Act, 1961 on sale of investments	(36,896.37)	(35,233.50)
	Lease liabilities	(40.54)	-
	Other timing differences	(4,922.60)	-
		(55,857.08)	(47,133.44)
	Net Deferred Tax (Assets)/Liabilities recognised in Balance Sheet	(53,535.38)	(46,918.90)

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(b) Movement in deferred tax (Assets)/Liabilities:

Particulars	Mutual Funds measured at fair value through profit & Loss (FVTPL)	Employee benefits expense	Property, Plant and Equipment and Investment Property	Deductible capital losses on sale of investment [refer note 9(f)]	Lease Liabilities	Other timing differences	Total
Balance as at March 31, 2018	1,929.16	(2,009.53)	(10,181.27)	(35,253.23)	-	-	(45,514.87)
Charged/(Credited) to Profit or Loss in 2018-19	(1,714.62)	243.32	47.54	19.73	-	-	(1,404.03)
Charged/(Credited) to Other Comprehensive Income in 2018-19	-	-	-	-	-	-	-
Balance as at March 31, 2019	214.54	(1,766.21)	(10,133.73)	(35,233.50)	-	-	(46,918.90)
Charged/(Credited) to Profit or Loss in 2019-20	2,107.16	(369.51)	(1,728.12)	(1,662.87)	-	(4,922.60)	(6,575.94)
Charged/(Credited) to Other Comprehensive Income in 2019-20	-	-	-	-	-	-	-
Impact on account of IND AS 116	-	-	-	-	(40.54)	-	(40.54)
Balance as at March 31, 2020	2,321.70	(2,135.72)	(11,861.85)	(36,896.37)	(40.54)	(4,922.60)	(53,535.38)

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

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Accounting profit/(loss) before tax expense	95,105.90	116,797.62
Enacted tax rates in India	25.17%	27.82%
Taxed at India's statutory income tax rate	23,936.25	32,493.10
Effect of:		
Non deductible expense	3,399.09	(7,990.70)
Income tax for earlier years	(173.48)	(501.40)
DTA on Indexation benefit under Income Tax Act, 1961 on lands under Investment Property	-	47.54
DTA on capital losses	(1,662.87)	19.73
Income tax expense recognised in Statement of Profit and Loss	25,498.99	24,068.27

(d) The tax rates under Indian Income Tax Act, 1961 for financial year 2019-20 is 25.17% (Previous year 2018-19 is 27.82%)
(e) Unrecognised temporary differences

Particulars	As at 31.03.2020	As at 31.03.2019
i) The amount of deductible temporary differences on investments in equity shares for which no deferred tax asset is recognised	768,563.36	740,661.63
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*	43,529.96	46,480.20
Potential tax benefit @ 22.88% (P.Y. 22.26%)	185,806.95	175,186.29

* The losses are available for use till F.Y. 2024-25 (A.Y. 2025-26)

(f) Deferred tax assets in respect of deductible capital losses on sale of investments have been recognised to the extent of expected capital gains, being the difference between the fair market value and indexed cost as at the end of the reporting period, arising on disposal of Investment properties.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

NON-FINANCIAL ASSETS

10 OTHER NON-CURRENT ASSETS	As at 31.03.2020	As at 31.03.2019
Capital advances	1,180.00	-
Others		
-Other receivable	-	7,110.57
-Input credit receivable	3,770.43	-
Total	4,950.43	7,110.57

CURRENT ASSETS

11 INVENTORIES (At lower of cost and net realisable value)		
-Land at Chembur, Mumbai	648,885.17	648,885.17
Total	648,885.17	648,885.17

Note: NCLAT had directed the holding company not to sell the land without its prior permission or till the final decision of the appeals whichever is earlier.

FINANCIAL ASSETS

12 INVESTMENTS		
Investments at fair value through profit or loss (FVTPL)		
Investment in Mutual Funds (Unquoted)		
65,273.474 units (31st March, 2019 64,070.56 units) of LIC MF-liquid fund- Growth Plan	233,418.28	215,739.84
Nil units (31st March, 2019 3,25,47,425.71 units) Kotak Equity Arbitrage Fund- Monthly Dividend (Regular plan)	-	348,530.85
Nil units (31st March, 2019 49,65,535.36 units) L & T Arbitrage Opportunities Fund- Monthly Dividend (Regular plan)	-	50,132.04
Nil units (31st March, 2019 94,07,219.73 units) UTI Spread Fund - Dividend payout	-	150,561.61
Nil units (31st March, 2019 0.596 units) HDFC Liquid Fund-Growth Plan	-	2.19
Nil units (31st March, 2019 16,485.63 units) UTI Mutual Fund -Liquid Cash Plan	-	50,276.76
Nil units (31st March, 2019 0.01 units) Kotak liquid- regular plan	-	0.02
Total	233,418.28	815,243.31
(a) Aggregate amount and market value of quoted investments	-	-
(b) Aggregate amount of unquoted investments	233,418.28	815,243.31
(c) Aggregate amount of impairment in value of investments	-	-
13 TRADE RECEIVABLES		
(Unsecured, considered good)		
Trade receivables- Trading of fibre cables	172,342.51	-
Total	172,342.51	-
14 CASH AND CASH EQUIVALENTS		
Balances with banks		
-in current account	10,840.53	5,625.99
Cash on hand	845.44	501.64
Cheques in hand	164,017.81	-
Fixed Deposits with banks (with maturity of 3 months or less)	150,208.02	-
Total	325,911.80	6,127.63

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

15	BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	As at 31.03.2020	As at 31.03.2019
	Fixed Deposits with banks (with maturity more than 3 months and upto 12 months)	-	194.09
	Total	-	194.09
16	LOANS		
	(Unsecured, considered good)		
	Other loans		
	- Inter corporate Deposits (Considered Good)	1,221,500.00	792,500.00
	- Loan to employees	288.00	130.29
	Total	1,221,788.00	792,630.29
17	OTHER FINANCIAL ASSETS		
	Interest receivable	30,492.20	30,480.18
	Future and option contracts (measured at fair value through profit and loss)	-	58,867.49
	Lease receivable	1,620.00	-
	Total	32,112.20	89,347.67
	NON-FINANCIAL ASSETS		
18	OTHER CURRENT ASSETS		
	Advances other than capital advances		
	- Advance to vendors (Real Estate)	80,000.00	-
	Other advances	5,025.62	183.47
	Total	85,025.62	183.47
	EQUITY AND LIABILITIES		
19	SHARE CAPITAL		
	Authorized:		
	30,00,00,000 (31st March 2019: 30,00,00,000) Equity Shares of ₹ 10/- each	3,000,000.00	3,000,000.00
	1,00,00,000 (31st March 2019: 1,00,00,000) Redeemable Preference Shares of ₹ 100/- each	1,000,000.00	1,000,000.00
	Total	4,000,000.00	4,000,000.00
	Issued, Subscribed and fully paid-up:		
	Issued, Subscribed and fully paid-up:		
	13,42,34,776 (31st March 2019: 13,42,34,776) Equity Shares of ₹ 10/- each	1,342,347.76	1,342,347.76
	Total	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 March 31, 2018	134,234,776	1,342,347.76
Add/(less): Issued/(redeemed) during the year	-	-
As at March 31, 2019	134,234,776	1,342,347.76
Add/(less): Issued/(redeemed) during the year	-	-
As at March 31, 2020	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 March 31, 2020		
- Aruna Oswal	56,026,460	41.74%
As at March 31, 2019		
- Aruna Oswal	56,026,460	41.74%

(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 Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

20 OTHER EQUITY	As at 31.03.2020	As at 31.03.2019
(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	1,362,857.48	1,099,044.79
Add: Profit/(loss) for the year	323,883.93	263,812.69
Balance at the end	1,686,741.41	1,362,857.48
(b) Other Components of Equity		
Fair value gain/(loss) on equity instruments through OCI		
Balance at the commencement of the year	(146,707.42)	(137,406.18)
Add: Additions/(Deletion) during the year	(1,765.48)	(9,301.24)
Balance at the end	(148,472.90)	(146,707.42)
Remeasurement of net defined benefit plan		
Balance at the commencement of the year	(2,496.58)	(2,982.83)
Add: Additions/(Deletion) during the year	(3,659.24)	486.25
Balance at the end	(6,155.82)	(2,496.58)
Total (a+b)	6,317,471.42	5,999,012.21

NATURE AND PURPOSE OF COMPONENTS OF OTHER EQUITY:

Securities Premium Reserve

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

Capital Reserve

It includes central investment subsidy received in earlier years

General Reserve

This represents appropriation of profit by the group. 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 Group's prior years' undistributed earnings after taxes.

Equity instruments through OCI

This represents the gain/(loss) on remeasurement 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

NON-CURRENT LIABILITIES

21 PROVISIONS	As at 31.03.2020	As at 31.03.2019
Provisions for employee benefits	1,670.78	1,676.72
Total	1,670.78	1,676.72

CURRENT LIABILITIES
FINANCIAL LIABILITIES

22 TRADE PAYABLES		
Trade Payables-Trading of fibre cables	169,014.97	-
Total	169,014.97	-

23 OTHER FINANCIAL LIABILITIES

Others

-Creditors for expenses	4,836.53	4,741.65
-Employee benefits payable	291.64	771.53
-Other payable	-	3,348.74

Total	5,128.17	8,861.92
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NON-FINANCIAL LIABILITIES
24 OTHER CURRENT LIABILITIES

Others

-Payable against litigations	31,276.18	12,000.21
-Duties & taxes payable	1,781.55	2,378.12

Total	33,057.73	14,378.33
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25 PROVISIONS

Provisions for employee benefits	6,815.06	4,671.98
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Total	6,815.06	4,671.98
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NOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS

26 REVENUE FROM OPERATIONS	Year ended 31.03.2020	Year ended 31.03.2019
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Sale of Products

-Fiber Cables	143,822.91	-
Other operating revenues	2,230.00	-

Total	146,052.91	-
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27 OTHER INCOME

Interest income		
-Interest income at EIR (including interest on income tax refund)	239,234.71	118,929.07

Other non operating income

-Net gain on financial assets carried at FVTPL	15,888.64	26,658.93
-Lease Income	1,525.42	1,800.00
-Provisions no longer required written back	-	55.00
-Dividend income on financial assets carried at FVTPL	2,513.11	41,909.33
-Claim in respect of legal dispute	-	27,334.77

Total	259,161.88	216,687.10
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28 PURCHASES OF STOCK IN TRADE

Purchase of Fiber Cables	143,232.79	-
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Total	143,232.79	-
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NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)

29 EMPLOYEE BENEFITS EXPENSE	Year ended 31.03.2020	Year ended 31.03.2019
Salaries and wages	16,097.46	14,022.70
Contribution to provident and other funds	1,129.34	994.91
Staff welfare expenses	141.52	644.62
Total	17,368.32	15,662.23
1) Defined Contribution Plan:	Current year	Previous year
Contribution to Provident fund	1,038.03	874.01

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 31.03.2020	Gratuity (Unfunded) Year ended 31.03.2019
Recognised in profit and loss		
Current service cost	414.59	326.76
Interest Cost	368.83	335.88
Past service cost including curtailment gains/losses	-	-
Total	783.42	662.64
Recognised in other comprehensive income		
Actuarial Gain/(Loss)	(692.29)	277.31
Total	(692.29)	277.31
Expected contribution in the next year	660.84	557.46
Assumptions		
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
Retirement Age (years)	60	60
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	6.13	7.49
Future Salary Increase	6.00	6.00

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Mortality Rates for specimen ages:

Age	Mortality Rate	Age	Mortality Rate	Age	Mortality Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

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) For the year ended 31.03.2020	Gratuity (Unfunded) For the year ended 31.03.2019
Change in present benefit obligations		
Present value of obligation as at the beginning of the Year	4,924.25	4,538.92
Interest Cost	368.83	335.88
Acquisition adjustment	-	-
Current service cost	414.59	326.76
Past Service Cost including curtailment gains/losses	-	-
Benefits Paid	(69.23)	-
Actuarial (Gain)/Loss - Experience Adjustment	572.50	(271.46)
Actuarial (Gain)/Loss - Demographic Assumptions	(3.80)	-
Actuarial (Gain)/Loss - Financial Assumptions	123.58	(5.85)
Present value of obligation as at the end of Year	6,330.73	4,924.25
Present value of obligation as at the end of Year- current	5,344.90	3,719.20
Present value of obligation as at the end of Year- non-current	985.83	1,205.05
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	6,330.73	4,924.25
Fair value of plan assets	-	-
Unfunded Liability/provision in Balance Sheet	6,330.73	4,924.25
Unfunded liability recognized in Balance Sheet	6,330.73	4,924.25

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:

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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.

Sensitivity Analysis

Particulars	31.03.2020	31.03.2019
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	6,330.73	4,924.25
a) Impact due to increase of 0.50%	(48.60)	(31.26)
b) Impact due to decrease of 0.50%	52.59	33.39
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	6,330.73	4,924.25
a) Impact due to increase of 0.50%	52.40	33.71
b) Impact due to decrease of 0.50%	(48.88)	(31.83)

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	31.03.2020
April 2020- March 2021	5,344.90
April 2021- March 2022	16.36
April 2022- March 2023	19.40
April 2023- March 2024	157.19
April 2024- March 2025	157.69
April 2025- March 2026	36.71
April 2026 onwards	598.49

30	FINANCE COST	Year ended	Year ended	
		31.03.2020	31.03.2019	
	Interest others	868.45	510.66	
	Total	868.45	510.66	
31	DEPRECIATION AND AMORTISATION EXPENSE	Property, plant and equipment	2,187.36	1,741.02
		Investment property	368.14	368.14
		Right-of-use assets	1,118.15	-
		Total	3,673.65	2,109.16

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

32 OTHER EXPENSES	Year ended 31.03.2020	Year ended 31.03.2019
Consultation & Professional Fee	51,119.24	33,063.91
Rates and taxes	14,432.05	14,934.19
Security Services	4,999.24	5,143.55
Advertisement expense	917.97	3,917.44
Postage & Telegram	2,619.59	7,081.09
Printing & Stationery	3,980.70	5,043.95
Business Promotion	2,580.78	1,339.00
Operating Lease expenses	-	741.00
Electricity Expenses	423.97	415.64
Contribution towards Corporate Social Responsibility	5,100.00	2,000.00
Donation	30,206.48	-
Repairs & Maintenance:		
- Building	1,578.77	659.08
- Others	1,046.24	1,047.96
Payment to Auditor:		
- Statutory Audit	590.00	590.00
- Out of pocket	133.06	61.19
Legal Claims	19,275.97	285.00
Other General Expenses	5,961.62	5,284.43
Total	144,965.68	81,607.43
33 TAX EXPENSES		
Current Tax		
-Income Tax	32,288.95	25,973.70
-Income tax for earlier years	(173.48)	(501.40)
	32,115.47	25,472.30
Deferred Tax	(6,616.48)	(1,404.03)
Total	25,498.99	24,068.27

OTHER DISCLOSURES
34 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 31.03.2020	Year ended 31.03.2019
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)	323,883.93	263,812.69
Basic/Diluted earnings per Share (Amount in ₹)	2.41	1.97
Face value per equity share (Amount in ₹)	10	10

35 DIRECTOR'S REMUNERATION

Salary, allowances and perquisites	2,575.60	2,575.60
Leave Encashment	-	1,002.50
Contribution to provident fund	174.38	173.23
Total	2,749.98	3,751.33

Note : Provision for gratuity, leave encashment and sick leave has been made for a holding 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

36 DISCLOSURE UNDER IND AS -116 "LEASES"

a. Transition

Effective April 1, 2019, the group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated balance sheet immediately before the date of initial application

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 4,472.63 thousand and a lease liability of ₹ 4,472.63 thousand. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10%.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 and the value of the lease liability as of April 1, 2019 is on account of the fact that there were no lease commitments as on 31.03.2019 as per the terms of the lease contract existing as on 31.03.2019.

b. Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

Particulars	ROU -Building (in ₹ Thousands)
Balance as at April 1, 2019	4,472.63
Additions	-
Deletions	-
Depreciation	1,118.15
Balance as at March 31, 2020	3,354.48

c. The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

d. The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	As at 31.03.2020 (in ₹ Thousands)
Current lease liabilities	2,272.28
Non-current lease liabilities	2,458.29
Total	4,730.57

e. The following is the movement in lease liabilities during the year ended March 31, 2020

Particulars	As at 31.03.2020 (in ₹ Thousands)
Balance as at April 1, 2019	4,472.63
Additions	-
Finance cost accrued during the period	392.94
Deletions	-
Payment of lease liabilities	(135.00)
Balance as at March 31, 2020	4,730.57

f. There are no expense for short-term leases and leases of low-value assets for the year ended March 31,2020.

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

g. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at 31.03.2020 (in ₹ Thousands)
Less than one year	1,350.00
One to five years	2,700.00
More than five years	-
Total	4,050.00

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

37	CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):	Year ended 31.03.2020	Year ended 31.03.2019
(a)	Claims against the group not acknowledged as debts:		
	- Demand raised by Indian Bank*	239,800.88	239,800.88
	- Other demand	36,305.07	36,305.07
(b)	Other demands for which the group is contingently liable:		
	-Sales Tax (Punjab VAT)	-	19,275.97
(c)	Estimated amount of contracts remaining to be executed on capital account and not provided for	20,011.49	-

* Indian Bank (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 holding company's FDR of ₹ 33,409.46 thousand which has been fully provided for) along with interest. DRT vide order dated 24th July, 2018, quashed the original application(OA) and SARFAESI proceedings considering it to be premature and untenable. Further, DRT gave a liberty to the Bank to proceed under the SARFAESI act as and when it is held that the Bank has paid the amount by virtue of relevant provisions of the Indian Contract Act. Against this order, the Bank has filed appeal before Debt Recovery Appellate Tribunal (DRAT) which is pending for adjudication. Also refer note no 4 and 8

Note: Interest and other levies in addition to above to be ascertained at the time of final outcome of the adjudications.

38 RELATED PARTY DISCLOSURES
(A) Related parties and transactions with them as identified by the management are given below:
(a) Associate

Oswal Greentech Limited

(b) Key Managerial Personnel

Mrs. Aruna Oswal	Director
Mr. Anil Bhalla	Director
Mr. B.N. Gupta	CEO & Wholetime Director
Ms. Shikha Jain	Independent Director
Mr. Ramesh Kumar Khanna	Independent Director
Mr. Mohinder Pal Singh	Independent Director
Mr. Pulkit Gupta	Independent Director (Appointed w.e.f 15th May, 2018 & resigned w.e.f 20th June, 2018)
Mr. Vikram	Independent Director (Resigned w.e.f 15th June, 2018)
Mr. Praveen Chopra	Chief Financial Officer

(c) Other related parties

Aruna Abhey Oswal Trust The entity is controlled by a key managerial person

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

Particulars	Description	Current year	Previous year
(a) Associates			
Oswal Greentech Limited	Transactions during the year		
	Office rental and maintenance paid	1,590.00	930.00
	Balances outstanding at year end		
	Lease liabilities	4,730.57	-
	Security deposit given	187.50	187.50
	Investment	4,166,438.32	3,915,129.74

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(b) Key Management personnel				
		Transactions during the year		
(i)	Mr. B. N. Gupta	Managerial Remuneration (short term Employee benefits)	2,575.60	2,575.60
		Managerial Remuneration (Other long term benefits)	-	1,002.50
		Managerial Remuneration (Post Employment benefits)	174.38	173.23
(ii)	Mr. Praveen Chopra	Managerial Remuneration (short term Employee benefits)	1,827.02	1,576.92
		Managerial Remuneration (Other long term benefits)	-	141.48
		Managerial Remuneration (Post Employment benefits)	121.31	101.87
(iii)	Mrs. Shikha Jain	Sitting Fees	285.00	240.00
(iv)	Mr. Vikram	Sitting Fees	-	75.00
(v)	Mr. Ramesh Kumar Khanna	Sitting Fees	165.00	90.00
(vi)	Mr. Mohinder Pal Singh	Sitting Fees	105.00	75.00
(vii)	Mr. Pulkit Gupta	Sitting Fees	-	30.00
		Balance outstanding at year end		
(i)	Mr. B. N. Gupta	Managerial Remuneration payable	46.79	123.89
(ii)	Mr. Praveen Chopra	Salary and Other Benefits Payable	25.75	71.81
(iii)	Mrs. Shikha Jain	Sitting Fees Payable	40.50	54.00
(iv)	Mr. Ramesh Kumar Khanna	Sitting Fees Payable	27.00	40.50
(v)	Mr. Mohinder Pal Singh	Sitting Fees Payable	27.00	40.50
(c) Other related parties				
	Aruna Abhey Oswal Trust	Transactions during the year		
		Rental Income (inclusive of applicable taxes)	1,800.00	1,800.00
		Balance outstanding at year end		
		Lease receivable (inclusive of applicable taxes net of TDS)	1,620.00	-

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.

39 SEGMENT INFORMATION

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

- Trading segment comprise of trading of goods
- 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 three 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)		
	Trading	146,052.91	-
	Investment	259,145.28	189,282.24
	Real Estate	0.21	-
	Unallocable	16.39	27,404.86
	Total Segment Revenue	405,214.79	216,687.10

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

S No.	Particulars	Current year	Previous year
(b)	Segment Result		
	Profit/(Loss) before tax and interest from each segment		
	Trading	2,820.12	-
	Investment	232,178.57	173,380.30
	Real Estate	(31,631.39)	(26,633.43)
	Unallocable	(107,392.95)	(29,438.59)
	Less : Finance cost	868.45	510.66
	Profit before Tax	95,105.90	116,797.62
	Less: Current Tax	32,115.47	25,472.30
	Less: Deferred Tax	(6,616.48)	(1,404.03)
	Profit after Tax	69,606.91	92,729.35
	Add: Share of net profit of associate accounted for using the equity method	254,277.02	171,083.34
	Profit for the year after tax	323,883.93	263,812.69
(c)	Segment Assets		
	Trading	172,342.51	-
	Investment	6,836,828.68	6,605,818.20
	Real Estate	740,748.60	659,173.21
	Unallocable	130,316.67	105,957.51
	Total Assets	7,880,236.46	7,370,948.92
(d)	Segment Liabilities		
	Trading	169,014.97	-
	Investment	6,624.29	4,644.63
	Real Estate	6,926.31	4,378.44
	Unallocable	37,851.71	20,565.88
	Total Liabilities	220,417.28	29,588.95
(e)	Other Information		
	(i) Capital expenditure		
	Investment	-	-
	Real Estate	-	6,979.38
	Unallocable	-	75.00
	(ii) Interest revenue		
	Investment	239,218.11	118,913.98
	Real Estate	0.21	-
	Unallocable	16.39	15.09
	(iii) Depreciation		
	Investment	1,262.66	368.14
	Real Estate	412.32	235.36
	Unallocable	1,998.67	1,505.66

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

Note 2: Revenue from two (two in previous year) customers exceeded 10% of the group's revenue viz. ₹ 1,46,052.91 thousand (previous year ₹ Nil) arising from trading of fibre cables under trading segment and ₹ 84,580.55 thousand (previous year ₹ 97,463.84 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 ₹ 41,66,438.32 thousand (previous year ₹ 39,15,129.74 thousand) under investment segment.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

40 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 31-03-2020	As at 31-03-2019
Segue Enterprise Private Limited	9,500.00	20,000.00
Jagran Developers Private Limited	-	467,500.00
Opelina Finance and Investment Limited	811,500.00	671,500.00
Minerals Management Services (I) Private Limited	387,500.00	-
J C Broswon United Private Limited	60,000.00	-
Uppal Housing Private Limited	350,000.00	-
Uppal Projects Private Limited	300,000.00	300,000.00
Gagan Infraenergy Limited	6,000.00	166,000.00
TOTAL	1,924,500.00	1,625,000.00

All the above loans have been given for business purposes of the borrower.

II. Particulars of investment made are given in Note no. 5, 6 and 12

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

IV. Employee Loans given as per group's policy have not been considered for the above disclosure.

41 FINANCIAL INSTRUMENTS

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 are as follows:

Particulars	As at 31.03.2020		As at 31.03.2019	
	Carrying value	Fair value	Carrying value	Fair value
FINANCIAL ASSETS				
At fair value through other comprehensive income (FVTOCI)				
Non Current				
Investments	130,208.02	130,208.02	131,972.00	131,972.00
At fair value through profit or loss (FVTPL)				
Current				
Investments	233,418.28	233,418.28	815,243.31	815,243.31
At amortised cost				
Non Current				
i) Loans	703,985.30	703,985.30	833,357.30	833,357.30
Current				
i) Trade receivables	172,342.51	172,342.51	-	-
ii) Cash and cash equivalents	325,911.80	325,911.80	6,127.63	6,127.63
iii) Bank Balances other than cash and cash equivalents	-	-	194.09	194.09
iv) Loans	1,221,788.00	1,221,788.00	792,630.29	792,630.29
v) Other financial assets	32,112.20	32,112.20	89,347.67	89,347.67
Total Financial Assets	2,819,766.11	2,819,766.11	2,668,872.29	2,668,872.29
FINANCIAL LIABILITIES				
At amortised cost				
Non Current				
(i) Lease liabilities	2,458.29	2,458.29	-	-
Current				
(i) Trade Payable	169,014.97	169,014.97	-	-
(ii) Lease liabilities	2,272.28	2,272.28	-	-
(iii) Other financial liabilities	5,128.17	5,128.17	8,861.92	8,861.92
Total Financial Liabilities	178,873.71	178,873.71	8,861.92	8,861.92

The fair value of the financial assets and liabilities is determined 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 and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and the transactions being entered into at arm's length. In respect of loans, the fair value equals the carrying value as the risk management mechanism established by the group 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 assets as at 31st March, 2020 and 31st March, 2019 that the group has provided as collateral for obtaining borrowings and other facilities from the bankers as follows:

Particular	As at 31-03-2020	As at 31-03-2019
Gross carrying amount of Investment Property	293.24	293.24
Fixed deposits with banks- Non current	33,409.46	33,409.46

42 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, 2020 and 31st March, 2019.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March, 2020 and 31st March 2019:

Particulars	Financial assets measured at FVTPL	Financial assets measured at FVTOCI	Assets for which fair value is disclosed
	Investment in Mutual funds	Investment in equity instruments	Investment properties
Carrying Value as at 31 st March, 2020	233,418.28	130,208.02	23,993.49
Fair valuation as at 31st March, 2020			
Level 3	-	130,208.02	246,780.00
Level 2	-	-	-
Level 1	233,418.28	-	-
Carrying Value as at 31 st March, 2019	815,243.31	131,972.00	24,361.63
Fair valuation as at 31st March, 2019			
Level 3	-	131,972.00	241,166.52
Level 2	-	-	-
Level 1	815,243.31	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended on 31st March, 2020 or on 31st March 2019. A one percent change in the unobservable inputs used in fair valuations of level 3 assets 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 investment property disclosed in consolidated 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 present market circle rates, location of the property, local enquiries, information from the local property brokers, latest market transactions etc. The fair value of the equity instruments measured at FVTOCI is determined on the basis of the valuation report of an independent valuer who determines the value as per the financials of the investee, use of available fair values of the investee's assets, assumptions suitable to the method of valuation adopted and key data from the management of the investor for valuation purposes as obtained from the investee.

Impact in statement of profit and loss:

Particulars	As at 31-03-2020	As at 31-03-2019
Opening Balance of investment valued using level 3 inputs	131,972.00	141,271.51
Add/(Less): Fair value changes for the year recognised in other comprehensive income	(1,763.99)	(9,299.51)
Closing balances	130,208.01	131,972.00

43 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 creditor for expenses and other financial liabilities. These other financial 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 group (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 group's significant credit risk concentration is in its trade receivables and loans given [i.e. intercorporate deposits (ICD)] and interest receivable thereon aggregating to ₹ 21,27,303.69 thousand as at March 31, 2020 i.e., 75.44% (₹ 16,55,469.69 thousand as at March 31, 2019 i.e., 62.03%). The objective of managing counter party credit risk is to prevent losses in financial assets. The group 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 group regularly assesses the increase in risk of default since initial recognition. The group 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 group 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 group 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 group 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 31.03.2020 and as at 31.03.2019 is as follows:

Particulars	As at 31-03-2020	As at 31-03-2019
Investments (Non current and current)	363,626.30	947,215.31
Loans (Non current and current)	1,925,773.30	1,625,987.59
Trade receivables	172,342.51	-
Cash and cash equivalents	325,911.80	6,127.63
Bank Balances other than cash and cash equivalents	-	194.09
Others financial assets	32,112.20	89,347.67
Total	2,819,766.11	2,668,872.29

(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, 2020 or March 31, 2019 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 2020, the group had a working capital of ₹ 25,03,195.37 thousand (Previous year ₹ 23,24,699.40 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 ₹ 7,31,672.59 thousand (Previous year ₹ 8,21,370.94 thousand) as against the total current liabilities of ₹ 2,16,288.19 thousand (Previous year ₹ 27,912.23 thousand) which clearly establishes very strong liquidity position of the group

The maturity analysis of the financial liabilities of the group as at 31.03.2020 is given as below:

Particulars	As at 31.03.2020		
	Less than 1 Year	1-2 Years	2 Years and above
Lease liabilities	2,272.28	1,167.99	1,290.30
Trade Payables	169,014.97	-	-
Other financial liabilities	5,128.17	-	-
Total	176,415.42	1,167.99	1,290.30

The maturity analysis of the financial liabilities of the group as at 31.03.2019 is given as below:

Particulars	As at 31.03.2019		
	Less than 1 Year	1-2 Years	2 Years and above
Other financial liabilities	8,861.92	-	-
Total	8,861.92	-	-

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

Nature of Liability	VAT Cases	Provident Fund	Civil Case	Total
Particular of dispute	Demand for VAT	Demand for contribution to provident fund	Share Certificate Dispute	
Opening Provision	-	11,715.21	285.00	12,000.21
Provision made during the year	19,275.97	-	-	19,275.97
Provision reduced/utilised during the year	-	-	-	-
Closing Provision	19,275.97	11,715.21	285.00	31,276.18

- Notes:**
- The case for contribution to provident fund is pending before the apex court and will be paid on the basis of the final judgement.
 - Provisions are made herein for medium risk oriented issues as a measure of abundant precaution.
 - Remote risk possibility of cash outflows is presumed pertaining to contingent liabilities as listed in note no. 37

45 CORPORATE SOCIAL RESPONSIBILITY:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were allocated to PM CARES FUND for COVID-19 relief covered under activities specified in Schedule VII of the Companies Act, 2013.

- Gross amount required to be spent by the holding company during the year is ₹ 790.72 thousand.
- Amount actually spent by the holding company during the year is ₹ 5,100.00 thousand as contribution towards PM CARES fund for COVID-19 relief.

46 Additional Information pursuant to Para 2 of general instructions for the preparation of consolidated financial statements as on 31.03.2020

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	45.61%	3,493,380.86	21.49%	69,606.91	45.28%	(2,456.28)	21.09%	67,150.63
Associate Indian: Oswal Greentech Limited	54.39%	4,166,438.32	78.51%	254,277.02	54.72%	(2,968.44)	78.91%	251,308.58
	100.00%	7,659,819.18	100.00%	323,883.93	100.00%	(5,424.72)	100.00%	318,459.21

47 OTHER NOTES

- Capital management:** The Holding company has only equity capital as the only source of capital and has no funds raised in form of borrowings. The Holding 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.
- As per the internal assessment of the group, there is no non financial asset and investment in associate accounted for in accordance with IND AS 27 requiring allowance for impairment in compliance of IND AS 36 on "Impairment of Assets" other than already provided for, if any.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

- (iii) Based on the information available with the group, there are no dues as at March 31, 2020 and March 31, 2019 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.
- (iv) One of the shareholder of the holding company had filed a petition under Sections 241, 242 read with Sections 244 of the Companies Act, 2013, against the holding company seeking relief against various acts of oppression and mismanagement before the NCLT, Chandigarh. The appeal filed by the holding company challenging the maintainability before NCLAT, New Delhi was dismissed during the year. Against the order of NCLAT, the holding Company had preferred an appeal in the Supreme Court, which is heard and reserved for judgement.
- (v) The holding company was incorporated on 14.12.1979 and has been carrying on the real estate and other non-financial activities. However, for the first time for the financial year ended 31.03.2019, the holding company's financial assets constituted more than 50 per cent of its total assets and the income from financial assets also constituted more than 50 per cent of its gross income, resulting in meeting the '50-50' test for determining financial activity as a principal business and accordingly as per press release 1998-99/1269 dated 08.04.1995, it got covered under the definition of NBFC. Accordingly, the holding company had decided to make an application with RBI for obtaining the registration as NBFC vide Board Resolution dated July 26, 2019 and also decided not to enter into any fresh financial activity w.e.f July 26, 2019, since only the financial transactions prior to 26th July, 2019 were continuing.

However, the Board of the holding company later on decided, in its meeting dated February 7, 2020, not to proceed further with the registration as NBFC, considering the fact that meeting the '50-50' criteria was a one-time event on account of temporary reasons viz. business cycles etc. and that the holding company intended to continue only non-financial activity as its principal activity. In fact, during the FY 2019-20, the holding company had undertaken substantial non-financial/trading transactions, but due to the on-going COVID- 19 pandemic and the subsequent nation-wide lockdown, the total income of the holding company from the non-financial activities could not be more than 50 per cent of the gross income for the FY 2019-20 as was envisaged by its Board of Directors in their meeting held on February 7, 2020. Further, the holding company has not accepted any public deposits nor does it have any liability to Banks/Financial Institutions.

As, the Holding Company intends to continue with the non-financial activities as its principal business, it has been decided to approach RBI, based on legal advice, to seek exemption from being treated as NBFC by ensuring that Non-financial activities are more than 50% of the total income of the holding company and as such seek condonation for default in not filing application with RBI for registration as NBFC and regularisation of the same, including exemption from the operation of the disclosure requirements as applicable to a NBFC as per the Reserve Bank of India Act, 1934. Consequently, the consolidated financial statements and the disclosures for FY 2019-20 have been prepared in accordance with Division II of Schedule III to the Companies Act, 2013 applicable to Non-NBFCs.

As per our report of even date attached

For Agarwal & Dhandhanian
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAV3498

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

B N Gupta
CEO and Wholetime Director
DIN : 00562338
Place : New Delhi
Date : 25.06.2020

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 25.06.2020

Anil Bhalla
Director
DIN : 00587533
Place: New Delhi
Date : 25.06.2020

Gopal
Company Secretary
Place: New Delhi
Date : 25.06.2020

OSWAL AGRO MILLS LIMITED
(Amount in ₹ thousand unless otherwise stated)

Information Pursuant to First Proviso to Sub Section (3) of Section 129 of Companies Act, 2013 part of Consolidated Financial Statement

Form AOC-I

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

PART A : Subsidiaries - Not Applicable

PART B : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	PARTICULARS	1
1	Name of Associates/Joint Ventures	Oswal Greentech Limited
2	Latest audited Balance Sheet Date	3/31/2020
3	Shares of Associate/Joint Ventures held by the company on the year end No.	
	a) No.	91,384,203
	b) Amount of Investment in Associates/Joint Venture	2,375,808.28
	c) Extend of Holding %	35.58%
4	Description of how there is significant influence	More than 20% of the total share capital
5	Reason why the associate is not consolidated	Consolidated
6	Networth attributable to Shareholding as per latest audited Balance Sheet	8,491,991.91
7	Profit / (Loss) for the year	706,230.88
	a) Considered in Consolidation	251,308.58
	b) Not Considered in Consolidation	454,922.30

- | | |
|---|----|
| 1. Names of Associates which are yet to commence operations | NA |
| 2. Names of Associates which have been liquidated or sold during the year | NA |

As per our report of even date attached

For Agarwal & Dhandhanian
Chartered Accountants
(Firm Registration No. 125756W)

Sanjay Agarwal
Partner
Membership No. 078579

Place : Surat
Date : 25.06.2020
UDIN : 20078579AAAAAV3498

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

B N Gupta
CEO and Wholetime Director
DIN : 00562338
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Gopal
Company Secretary
Place: New Delhi
Date : 25.06.2020

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 send it to us at 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

Further, your Company wishes to inform you that SEBI vide its notification no. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 has made amendments in regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the requests for transfer of shares/securities shall not be processed unless such shares/securities are held in the dematerialized form with a depository. In view of the above, to avoid any kind of inconvenience to you, we request you to dematerialize your physical shares in electronic form immediately.

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

If undelivered please return to:

OSWAL AGRO MILLS LIMITED
(CIN- L15319PB1979PLC012267)

Regd. Office: Near Jain Colony, Vijay Inder Nagar, Daba Road,
Ludhiana - 141 003 (Punjab), Phone no- 0161-2544313
Website: www.oswalagromills.com
Email: oswal@oswalagromills.com