

Annual Report 2021-22



**ABHEY
OSWAL**
G R O U P

Oswal Agro Mills Limited



Hon'ble Shri Abhey Kumar Oswal

COMPANY INFORMATION

Corporate Identification No. (CIN) :
L15319PB1979PLC012267

BOARD OF DIRECTORS

Dr. Aruna Oswal
(Chairperson & Non-executive Director)

Mr. Bhola Nath Gupta
(Wholetime Director & CEO)

Mr. Anil Kumar Bhalla
(Non-executive Director)

Mr. Mohinder Pal Singh
(Non-executive Independent Director)

Mr. Dhiraj Gupta
(Non-executive Independent Director)

Mr. Himanshu Agarwal (w.e.f July 6, 2022)
(Non-executive Independent Director)

CHIEF FINANCIAL OFFICER

Mr. Parveen Chopra

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Anjali Aggarwal

BANKERS

HDFC Bank Limited
RBL Bank Limited
IndusInd Bank

REGISTERED OFFICE

Near Jain Colony, Vijay Inder Nagar,
Daba Road, Ludhiana-141003 (Punjab)
Phone No. +91-161-2544238
Email ID: oswal@oswalagromills.com

HEAD OFFICE

7th Floor, Antriksh Bhawan,
22, Kasturba Gandhi Marg,
New Delhi-110001
Phone No. +91-11-23753652
Website: www.oswalagromills.com

STATUTORY AUDITORS

M/s Agarwal and Dhandhanania
Chartered Accountants
Gujarat

LISTED AT

National Stock Exchange of India Limited
BSE Limited

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

CONTENTS

| | Page No. |
|--|----------|
| Notice of AGM | 02 |
| Directors' Report & Annexures thereto | 14 |
| Report on Corporate Governance | 31 |
| Management Discussion and Analysis | 44 |
| Independent Auditor's Report | 46 |
| Balance Sheet | 53 |
| Statement of Profit & Loss | 54 |
| Cash Flow Statement | 55 |
| Statement of changes in equity | 56 |
| Notes | 57 |
| Auditors Report on Consolidated Financial Statements | 86 |
| Consolidated Financial Statement | 92 |
| Statement containing salient features of the Financial Statements of Associate (AOC-1) | 126 |

OSWAL AGRO MILLS LIMITED

Corporate Identification No. (CIN) L15319PB1979PLC012267

Registered Office: Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab)**Corporate Office:** 7th Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi-110001**Phone:** +91-161-2544238; +91-11-23753652; **Fax:** +91-11-23716276**Website:** www.oswalagromills.com, **Email:** oswal@oswalagromills.com**NOTICE**

Notice is hereby given that the 42nd Annual General Meeting of Oswal Agro Mills Limited will be held on Wednesday, September 28, 2022 at 3:00 P.M. (IST) through video conferencing ("VC") /other audio - visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated IND AS financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhola Nath Gupta (DIN: 00562338) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment, with the continuation of such directorship being subject to the fulfilment of requirements under applicable laws, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015).
3. **Appointment of Statutory Auditors of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Oswal Sunil & Company, Chartered Accountants, (FRN: 016520N) be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 47th AGM to be held in the year 2027, at such remuneration, as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. **Appointment of Mr. Himanshu Agarwal (DIN: 09643966) as a Non-Executive Independent Director of the Company.**

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

"RESOLVED THAT Mr. Himanshu Agarwal (DIN: 09643966), who was appointed as an Additional and Independent Director on the Board of the Company in terms of Section 161(1) of the Companies Act, 2013 ("the Act") and whose term of office expires at this Annual General Meeting and who meets the criteria of Independence as provided under Section 149(6) of the Act and the SEBI Listing Regulations, 2015 and who is eligible for appointment and is recommended by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee for the office of Director as an Independent Director, be and is hereby appointed, in accordance with Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the corresponding rules framed thereunder, as a Non-executive Independent Director of the Company for an initial term of 5 (Five) years effective from July 6, 2022, not liable to retire by rotation.

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

5. **Re-Appointment of Mr. Mohinder Pal Singh (DIN: 08155393) as a Non-Executive Independent Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Mohinder Pal Singh (DIN: 08155393), as an Independent Director of the Company for second and final term of five years commencing with effect from July 6, 2023 till July 17, 2028.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Mohinder Pal Singh (DIN: 08155393) as an Independent Director of the Company."

6. **Re-appointment and revision in remuneration of Mr. Bhola Nath Gupta (DIN 00562338) as Wholetime Director and CEO of the Company**

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

"RESOLVED THAT pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V to the Companies Act 2013 ("the Act") read with Rules made thereunder and all other applicable provisions of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and as recommended by the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to other necessary approvals as may be required, consent and approval of the members of the Company, be and is hereby accorded for the re-appointment of Mr. Bhola Nath Gupta (DIN 00562338), who has attained the age of 70 years, as Wholetime Director and CEO of the Company for another term of three years w. e.f. October 1, 2022 (whose period of office shall be liable to determination by retirement of director by rotation) and the remuneration being paid or provided to Mr. Bhola Nath Gupta (DIN 00562338), with effect from October 1, 2022, as mentioned below including perquisites and on the terms and conditions as set out in the letter of re-appointment.

1. Salary:

| | |
|------------------------|--|
| Basic Salary | Rs. 1,59,830/- per month |
| House Rent Allowance | Rs. 79,915/- 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 the Board of Directors of the Company or a Committee thereof be and is hereby authorized to vary and/or revise the remuneration of Mr. Bhola Nath Gupta to the extent the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provisions under the Act for the time being in force, provided, however, that the remuneration payable to Mr. Bhola Nath Gupta shall be in terms of the said Act including the 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 appointment letter issued by the company to Mr. 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 currency of his appointment as Wholtime Director & CEO, the remuneration set out in the aforesaid letter of appointment be paid or granted to Mr. Bhola Nath Gupta as minimum remuneration provided that the total remuneration by way of salary and other allowances shall be as 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 authorised to do all acts and take such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

7. Omnibus approval of material related party transaction for the financial year 2022-23

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with rules made thereunder, including statutory modification(s) or re-enactment thereof for the time being in force and as may be notified from time to time and regulations 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, consent of the members of the Company be and is hereby accorded for omnibus approval for transactions to be entered into upto Rs. 60 crores, with Jindal Steel & Power Limited, being a related party in which Director and her relatives have significant influence, during the financial year from April 1, 2022 to March 31, 2023 and also accord further approval to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board from time to time, to exercise its powers conferred by this resolution), for entering into and/ or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transaction taken together or series of transactions or otherwise) with Jindal Steel & Power Limited, whether by way of renewal(s) or extension(s) or modification(s) of earlier contract/ arrangements/ transactions or otherwise, with respect to sale or purchase of goods and/or other transactions including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period notwithstanding the fact that all these transactions during the financial year 2022-23, in aggregate have exceeded 10% of the annual consolidated turnover of the Company for the relevant year.

RESOLVED FURTHER THAT the Members of the Company do hereby ratify, approve and also accord further approval to the Board to all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution."

8. Approval for contribution to charitable funds

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 181 of the Companies Act, 2013 and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors in case of loss or inadequate profit for contributing and/ or subscribing from time to time in any financial year to any national, charitable, social, benevolent, public or general and other funds/ institutions/ hospitals/ trusts/entities not directly relating to the business of the Company or the welfare of its employees up to an aggregate maximum amount permissible under Section 181 of the Companies Act, 2013 without the approval of the Shareholders exceeding by a sum of Rs. 5,00,00,000/- (Rupees Five Crores only) in each financial year as may be considered proper by the Board of Directors notwithstanding that such amount in any financial year may exceed five per cent of the average net profits of the Company during the three financial years immediately preceding or such sum as may be prescribed under the Companies Act, 2013 or the relevant regulations."

**By the order of the Board
For Oswal Agro Mills Limited**

Sd/-

**Anjali Aggarwal
Company Secretary
M. No.: A48619**

Date : August 29, 2022
Place : New Delhi

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") relating to the item no. from 3 to 8.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as "MCA Circulars") permitted for holding the Annual General Meeting ("AGM") through VC / OAVM without physical presence of the members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. As per the MCA Circulars and Securities and Exchange Board of India ("SEBI") Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant(s) unless any member has requested for a physical copy of the same. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.oswalagromills.com, website 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 on the website of Company's Registrar and Transfer Agent (RTA), Skyline Financial Services Private Limited www.skylinerta.com.
4. Company has appointed Skyline Financial Services Private Limited, Registrar and Share Transfer Agent, to provide video conferencing facility for the AGM and the attendant enablers for conducting the AGM.
5. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed to this Notice.
6. 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 serve basis. However, this number does not include the large Shareholders i.e. 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 serve basis.
7. The attendance of the members attending AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
8. 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 MCA Circulars 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 e-voting on the day of the AGM will be provided by NSDL. The Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the AGM but shall not be entitled to cast their vote again. Members may write to Company at oswal@oswalagromills.com or to our registrar and share transfer agent at compliances@skylinerta.com for any grievances connected with electronic means.
9. The recorded transcript of the forthcoming AGM on September 28, 2022 shall also be made available on the website of the Company www.oswalagromills.com as soon as possible after the Meeting is over.
10. Since the AGM will be held through VC/ OAVM, the route map is not annexed in this Notice.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and other relevant documents as mentioned in the proposed resolutions will be available for inspection by the members electronically during the meeting. Members seeking to inspect such documents can send an email to oswal@oswalagromills.com.
12. The Register of Members and Share Transfer Register will remain closed from Thursday, September 22, 2022 to Wednesday, September 28, 2022, (both days inclusive).
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote through remote e-voting.
14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Skyline Financial Services Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

- (i) **For shares held in electronic form:** to their Depository Participants (DPs);
 - (ii) **For shares held in physical form:** to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters to shareholders for furnishing the required details.
16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4/ ISR - 5, the format of which is available on the Company's website at www.oswalagromills.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.
 17. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Skyline Financial Services Private Limited, for assistance in this regard.
 18. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
 19. Corporate Members are encouraged to attend the AGM through their Authorized Representatives. They are requested to send by email at cs@oswalagromills.com or oswal@oswalagromills.com, a certified copy of the Board Resolution/ Power of Attorney authorizing their representatives to attend and vote on their behalf in the Meeting.
 20. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13.
 21. The remote e-voting period commences on Sunday, September 25, 2022 at 09.00 am (IST) and ends on Tuesday, September 27, 2022 at 05.00 pm (IST)
 - (i) Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, September 21, 2022 may opt for remote e-voting and cast their vote electronically.
 - (ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the Meeting.
 - (iii) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Wednesday, September 21, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA at compliances@skylinerta.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Wednesday, September 21, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
 - (iv) Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
 - (v) Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again.
 - (vi) At the end of remote e-voting period, the facility shall forthwith be blocked.
 22. The Board vide its Resolution passed on August 29, 2022 has appointed Mr. Paramnoor Singh, Chartered Accountant in Practice (Membership no. 515572 and Managing Partner of M/s R Arora & Associates (FRN 005035N) as Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.

The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM and make, not later than 2 working days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.

The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.oswalagromills.com and on the website of NSDL immediately after the declaration of Results by the Chairman or any person authorized by him in writing. The results shall also be forwarded to the stock exchanges where the shares of the Company are listed.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING

The remote e-voting period begins on Sunday, September 25, 2022 at 09:00 A.M. (IST) and ends on Tuesday, September 27, 2022 at 05:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 21, 2022,

may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 21, 2022.

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: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL at https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDEAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL mobile app is available on Apple App Store and Google Play Store. |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 1. Existing users who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [abovementioned website](#).

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30. |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43. |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP 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.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- 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. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - 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'.
 - 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:

- Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- 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 etc.
- 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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and who’s voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – evoting@nsdl.co.in or pallavid@nsdl.co.in or sonis@nsdl.co.in or at telephone nos.:- +91-22-24994545, +91-22-24994559, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the cs@oswalagromills.com.

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 Aadhaar Card) by email to cs@oswalagromills.com or
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 Aadhaar Card) to cs@oswalagromills.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode](#).
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. [In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.](#)

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 by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member 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.
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/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@oswalagromills.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND ADDITIONAL DISCLOSURE AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CIRCULARS ISSUED THEREUNDER

Item No. 3

Members of the Company at the 37th Annual General Meeting (AGM) held on September 28, 2017 approved the appointment of M/s Agarwal & Dhandhanias, Chartered Accountants (Registration No. 125756W) as the Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of this 37th Annual General Meeting till the conclusion of the 42nd Annual General Meeting.

Existing term of M/s Agarwal & Dhandhanias, Chartered Accountants is going to complete on conclusion of this Annual General Meeting on September 28, 2022. The Board of Directors of the Company ("the Board"), at its meeting held on August 29, 2022 has, considering the experience and expertise and on the recommendation of the Audit Committee, proposed to the Members of the Company appointment of M/s Oswal Sunil & Company, Chartered Accountants (Registration No. 016520N), as Statutory Auditors of the Company in place of the Retiring Auditors, for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 47th Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company.

M/s Oswal Sunil & Company, Chartered Accountants, founded in 1999, has its head office in New Delhi and has diversified client base of large corporates in different sectors. M/s Oswal Sunil & Company, Chartered Accountants have consented to their appointment as Auditor and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

M/s Oswal Sunil & Company, Chartered Accountants, have also provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

The proposed remuneration to be paid to Auditors for the financial year 2022-23 is Rs. 7 lakhs. The said remuneration excludes applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Auditors for the financial year 2022-23 and the remuneration paid to the Retiring Auditors for the financial year 2021-22. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

Item No. 4

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mr. Himanshu Agarwal (DIN: 09643966) as an Additional Director (Non-executive & Independent) with effect from July 6, 2022 pursuant to Section 161(1) of the Companies Act, 2013 and as an Independent Director pursuant to Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. Himanshu Agarwal shall hold office only upto the date of ensuing Annual General Meeting.

The Company has received consent in writing from Mr. Himanshu Agarwal to act as Director of the Company in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified u/s 164(2) to act as Director. The Company has also received declaration from him that he meets the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. In the opinion of the Board, Mr. Himanshu Agarwal fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Company has also received notice under section 160 of the Companies Act, 2013, from a member intending to nominate Mr. Himanshu Agarwal to the office of Independent Director.

Mr. Himanshu Agarwal, a commerce graduate, is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He possesses a vast experience of around 4 years in the areas of audit, taxation, corporate laws and compliances. Considering his expertise and experience, the Nomination & Remuneration Committee and Board of Directors are of the opinion that appointment of Mr. Himanshu Agarwal would be immensely beneficial for the Company.

Oswal Agro Mills Limited

Mr. Himanshu Agarwal, being eligible and offering himself for appointment, is proposed to be appointed as a Non-Executive Independent Director of the Company to hold office for an initial term of 5 (Five) years effective from July 6, 2022 and shall not be liable to retire by rotation.

Copy of the draft letter for appointment of Mr. Himanshu Agarwal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the registered office of the Company during normal business hours on any working day till the date of AGM.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its meeting held on August 29, 2022 has approved the appointment of Mr. Himanshu Agarwal as an Independent Director and recommends the special resolution for the approval by the Shareholders of the Company.

Except Mr. Himanshu Agarwal, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 4 of this Notice.

Disclosure under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are set out in the annexure to the explanatory statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the integrated Annual Report of the Company.

The Board recommends the resolution set forth in the item no. 4 as special resolution for the approval of the members.

Item No. 5

The Board of Directors at its meeting held on July 6, 2018 had appointed Mr. Mohinder Pal Singh as an Additional Director (Non-executive and Independent) of the Company to hold office till the next Annual General Meeting.

Further, the Members at the Annual General Meeting held on September 27, 2018 appointed Mr. Mohinder Pal Singh as an Independent Director to hold office for a term of 5 years. Accordingly, the tenure of Mr. Mohinder Pal Singh, as an Independent Director is due for expiry on July 5, 2023. In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/ reappointment of a Director. In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

The Company has received the consent from Mr. Mohinder Pal Singh to act as the Director in the prescribed Form DIR-2 under Section 152(5) of the Act and Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 along with the declaration on criteria of Independence as per Section 149(6) of the Act.

After taking into account the performance evaluation, during his first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by Mr. Mohinder Pal Singh during his tenure as an Independent Director since his appointment, the Nomination and Remuneration Committee at its meeting held on August 26, 2022 has considered, approved and recommended the re-appointment of Mr. Mohinder Pal Singh as an Independent Directors for a second term of five years with effect from July 6, 2023, to the Board of Directors for their approval.

The Board of Directors at its meeting held on August 29, 2022 has approved the proposal for reappointment of Mr. Mohinder Pal Singh as an Independent Director for a second term of five consecutive years with effect from July 6, 2023. In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Mohinder Pal Singh, the Shareholders are requested to approve the re-appointment of Mr. Mohinder Pal Singh as an Independent Directors for a second term of five consecutive years with effect from July 6, 2023.

The Board recommends the Resolution for approval of the Members as a Special Resolution as set out in the item no. 5 of the notice. Except Mr. Mohinder Pal Singh, being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/ are concerned or interested, financially or otherwise, in the said Resolution

Item No. 6

Mr. Bhola Nath Gupta (DIN: 00562338) was re-appointed as Wholetime Director and CEO of the Company for a term of three years w.e.f October 1, 2019 by means of special resolution passed by the members at annual general meeting held September 25, 2019. Accordingly, his present tenure will determine on September 30, 2022.

The Board of Directors of the Company pursuant to the provisions of section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 ("the Act"), rules made thereunder and all other applicable provisions and upon the recommendation of Nomination & Remuneration Committee has re-appointed Mr. Bhola Nath Gupta as Wholetime Director & CEO of the Company, for a term of three years w.e.f October 1, 2022 on the terms and remuneration as recommended by the Nomination & Remuneration Committee of Directors, set out hereunder subject to the approval of members of the Company and such other necessary approval(s) as may be required.

In terms of schedule V to the Act, the relevant details are as under:

I. GENERAL INFORMATION

- (i) Nature of industry: Commodity trading and real estate
- (ii) Date or expected date of commencement of commercial production: 1980
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable

- (iv) Financial performance based on given indicators:

| Particulars for the financial year ended March 31, 2022 | ₹ in lakh |
|---|-----------|
| Revenue from operations (Gross) | 2367.76 |
| Profit before tax | 323.16 |
| Tax expense | |
| Current: | 92.31 |
| Deferred: | 39.69 |
| Profit after tax | 270.54 |

- (v) Foreign investments or collaborations, if any: NIL

II. INFORMATION ABOUT THE APPOINTEE:

- (i) **Background details:** Mr. Bhola Nath Gupta holds bachelors degree in Agricultural Engineering and masters degree in finance, has been associated with the Oswal Group since more than a decade and his proactive involvement in the affairs of the Company and immense knowledge about real estate and trading sector has played a significant role in the growth of the Company over the last decade. He holds the position of Wholetime Director & Chief Executive Officer of Oswal Agro Mills Limited.

As Chief Executive Officer, Mr. Bhola Nath Gupta is responsible for maximising the entity's value including revenues, market share, share price etc. and to oversee the operations in all departments and making sure that the long term roles of the Company are realised. Considering his expertise and experience, the Nomination & Remuneration Committee and Board of Directors are of the opinion that appointment of Mr. Bhola Nath Gupta would be immensely beneficial for the Company.

- (ii) **Past remuneration:** Mr. Bhola Nath Gupta was re-appointed as Wholetime Director & CEO of the Company for a term of three years w.e.f October 1, 2019 by the members at the annual general meeting held on September 25, 2019. During the year 2021-22, he received Rs. 31.02 lakhs as remuneration.

- (iii) **Job profile and his suitability:** As per details hereinabove given in the explanatory statement to this notice.

- (iv) **Remuneration proposed:** As per details hereinabove given in the explanatory statement of this notice.

- (v) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** The remuneration payable to the Director has been benchmarked with the remuneration being drawn by similar positions and has been considered by the Nomination and Remuneration Committee of the Company at its meeting held on August 26, 2022 and by the Board of Directors at their meeting held on August 29, 2022.

- (vi) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any**

Besides the remuneration proposed, Mr. Bhola Nath Gupta doesn't have any pecuniary relationship directly or indirectly with the Company, except to the extent of his remuneration being withdrawn from the Company. Mr. Bhola Nath Gupta is not related to any other Director or Managerial Personnel of the Company.

III. OTHER INFORMATION

- (i) **Reasons of loss or inadequate profits:** The Company has shown a profit from its operation in the current year and it is expected to earn profits in the future years also. The Company has accumulated losses incurred during previous years which are being set off annually.

- (ii) **Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms:** Despite the challenging times posed by COVID-19 pandemic, the Company is continually taking several initiatives in all spheres of its operations to improve the operational performance of the company and profits in measurable terms.

IV. DISCLOSURES: Requisite details with respect to the remuneration of Directors and other connected matters are given in the Corporate Governance section of the Annual Report for the financial year 2021-22.

Relevant documents setting out the terms and conditions of the re-appointment of the Wholetime Director and CEO of the Company would be available for inspection by the Members at the registered office/ administrative office of the Company on any working day during business hours.

The Board recommends the resolution set forth in the item no. 6 for approval by the Members.

Item No. 7

The Company is in the business of trading of commodities. Jindal Steel & Power Limited (JSPL), being a related party to the Company as per Indian Accounting Standard-24, in which Director and her relatives have significant influence, is engaged in the business of manufacturing of steel and iron commodities like rails, plates & coils, angles & panels etc.

The transaction to be entered into with JSPL including but not limited to trading of commodities will be at arm's length prices and in the normal course of business. The total value of proposed transaction(s) with JSPL during the financial year 2022-23 may reach to Rs. 60 crores.

Oswal Agro Mills Limited

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been amended which mandates the listed Company to take prior approval of members for material related party transactions if

A transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. These amendments have been made effective from April 1, 2022.

Hence the omnibus approval of shareholders is being sought for the said related party transaction(s) proposed to be entered into by your Company with JSPL in the financial year 2022-23. The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in connection with the related party transactions with JSPL are as under:

| Name of related party | Name of Director/ KMP interested | Nature of relationship | Aggregate maximum value of contract/ arrangement per transaction in any financial year | Nature and material terms of contract/ arrangement/ transaction |
|--------------------------------|----------------------------------|--|--|--|
| Jindal Steel and Power Limited | Dr. Aruna Oswal | Significant influence of close family member | 60 crores for the financial year 2022-23 (or such extended period or time as may be decided by the Board of Directors and Audit Committee) | Nature of transaction: Trading of goods or material (directly or through agent): Material terms: (I) Trading of commodities will be on order to order basis; (II) Trading of commodities will be on a continuous basis; (III) Trading of commodities will be at arm's length or prevailing market price as may be mutually decided by the Board of Directors. (IV) No advance has been given for this transaction (V) Payment terms for the transaction shall be decided at par with the other customers. |

In view of compliance with regulation 23 of Listing Regulations, approval of members for the above related party transactions is being sought by way of ordinary resolution. The proposals outlined above will contribute to the continuous growth in sales and profits of your Company and is in the interest of the Company. Hence the Audit Committee and Board recommend the resolution set out in the item no. 7 as an ordinary resolution. None of the related parties shall vote in the resolution.

Except Mrs. Aruna Oswal, none of the Director, key managerial personnel and their relatives, is concerned or interested in the said resolution except to the extent of their directorship and shareholding in the Company.

The Board recommends the resolution set forth in the item no. 7 for the approval of the members.

Item No. 8

Section 181 of the Companies Act, 2013 enables the Company to make contributions to bona fide charitable and other funds, subject to the approval of the members in general meeting in case such contribution exceeds 5 per cent of the Company's average net profits for 3 immediately preceding financial years. Consequently, the Board of Directors of the Company proposes the above resolution as an Ordinary Resolution for approval of the members for making contribution exceeding the limits as set out in section 181 in case of loss or inadequate profit by a sum of Rs. 5,00,00,000/- (Rupees Five Crores only).

The Board recommends the resolution set forth in the item no. 8 for the approval of the members.

**By the order of the Board
For Oswal Agro Mills Limited**

**Sd/-
Anjali Aggarwal
Company Secretary
M. No.: A48619**

Date : August 29, 2022
Place : New Delhi

ANNEXURE

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED IS FURNISHED BELOW:

| Name of Director (DIN) | Mr. Bhola Nath Gupta (DIN: 00562338) | Mr. Himanshu Aggarwal (DIN: 09643966) | Mr. Mohinder Pal Singh (DIN: 08155393) |
|---|--|---|--|
| Category | Executive Director | Non-executive Independent Director | Non-executive Independent Director |
| Date of Birth | March 14, 1950 | January 6, 1993 | February 28, 1983 |
| Age | 71 | 29 | 39 |
| Qualification | B. Sc. Agri. Engg. & MBA Finance | Chartered Accountant | Commerce graduate and CA (Inter) |
| Skills and capabilities required for the role and the manner in which proposed person meets such requirements | Mr. Bhola Nath Gupta possesses following capabilities: a) Business Leadership b) Sector Expertise c) Market Expertise d) Human resource management e) Governance, finance & risk management expertise f) Basic understanding of finance and risk | Mr. Himanshu Aggarwal possesses following capabilities: a) Business Leadership b) Sector Expertise c) Market Expertise d) Human resource management e) Governance, finance & risk management expertise f) Basic understanding of finance and risk | Mr. Mohinder Pal Singh possesses following capabilities: a) Business Leadership b) Sector Expertise c) Market Expertise d) Human resource management e) Governance, finance & risk management expertise f) Basic understanding of finance and risk |
| Date of first appointment on the Board | May 14, 2004 | July 6, 2022 | July 6, 2018 |
| Relationship with Directors & KMPs | Not related to any Director or KMP of the Company | Not related to any Director or KMP of the Company | Not related to any Director or KMP of the Company |
| Expertise in specific functional area | Commercial & Administrative | Audit, taxation & corporate laws | Audit, taxation & corporate laws |
| Details of Board/ Committee meetings attended by the Directors during the year | Board Meeting: 4 Committee Meeting: 5 | Not applicable | Board Meeting: 4 Committee Meeting: 6 |
| Listed entities from which the person has resigned in the past three years | None | None | None |
| Terms & conditions of appointment along with remuneration | Mr. Bhola Nath Gupta has been appointed as Wholetime Director & CEO of the Company w.e.f. April 1, 2014. | Mr. Himanshu Aggarwal joined the Board of the Company w.e.f July 6, 2022 as Non-executive Independent Director. He is entitled to receive sitting fees for every meeting of Board and Committee attended by him. | Mr. Mohinder Pal Singh joined the Board of the Company w.e.f. July 6, 2018 as Non-executive Independent Director. He is entitled to receive sitting fees for every meeting of Board and Committee attended by him. |
| Name of companies in which he/ she holds Directorship | None | None | None |
| Name of committees of the Companies of which he/ she holds membership | Oswal Agro Mills Limited Stakeholders Relationship Committee | Oswal Agro Mills Limited: i) Audit Committee ii) Corporate Social Responsibility Committee iii) Nomination & Remuneration Committee iv) Stakeholders Relationship Committee | Oswal Agro Mills Limited: (i) Audit Committee (ii) Nomination & Remuneration Committee |
| No. of equity shares held | NIL | NIL | NIL |

DIRECTORS' REPORT

To
The Members,
Oswal Agro Mills Limited

Your directors take pleasure in presenting the 42nd Annual Report on the business and operations of the Company together with the audited financial statements (Standalone and Consolidated) for the financial year ended March 31, 2022:

1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year under review alongwith previous year's figures are given hereunder: (₹ in lakhs)

| PARTICULARS | Consolidated | | Standalone | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2021-2022 | 2020-2021 | 2021-2022 | 2020-2021 |
| Revenue from Operations | 1,102.13 | 2,926.69 | 1,102.13 | 2,926.69 |
| Other Income | 1,265.63 | 2,224.49 | 1,265.63 | 2,224.49 |
| Total Revenue | 2,367.76 | 5,151.18 | 2,367.76 | 5,151.18 |
| Expenses | 2,044.61 | 4,042.32 | 2,044.61 | 4,042.32 |
| Profit before tax | 323.15 | 1,108.86 | 323.15 | 1,108.86 |
| Tax expenses | | | | |
| (i) Current tax | 92.31 | 588.40 | 92.31 | 588.40 |
| (ii) Deferred tax | (39.69) | (19.85) | (39.69) | (19.85) |
| Profit for the year after tax | 270.54 | 540.32 | 270.54 | 540.32 |
| Share of net profit of associate (net) | 1,638.79 | 1,779.78 | - | - |
| Profit for the year after tax after considering share of net profit of associate (net) | 1,909.33 | 2,320.10 | - | - |

Nature of business

During the financial year 2021-22, the Company was primarily engaged in the trading of commodities. Apart from trading activities, the Company also generated income from interest on inter-corporate deposits, trading in mutual funds and other miscellaneous incomes. Further, the Company has been carrying on real estate and other non-financial activities since its inception. There was no change in nature of business of the Company during the year under review.

Financial performance

The Company continues to adopt measures to curb the impact of COVID-19 pandemic in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of workspaces etc. The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements including but not limited to its assessment of liquidity and going concern assumption and recoverable values of its financial and non-financial assets.

Consolidated financials

During the year under review, your Company's consolidated total revenue stood at Rs. 2367.76 Lakh as compared to Rs. 5151.18 Lakh for the previous year 2020-21, profit before tax stood at Rs. 323.15 Lakh for the year under review as compared to Rs. 1108.86 Lakh for the previous year 2020-21 and the total comprehensive income stood at Rs. 1,916.49 Lakh as compared to Rs. 2,331.59 Lakh for the previous year 2020-21.

Standalone Financials

During the year under review, the total revenue stood at Rs. 2367.76 Lakh as compared to Rs. 5151.18 Lakh for the previous year 2020-21, profit before tax stood at Rs. 323.16 Lakh for the year under review as compared to Rs. 1108.86 Lakh for the previous year 2020-21.

Further, for the financial years ended March 31, 2022, company is not meeting the 50-50 test for determining financial activity as a principal business and is not covered under the definition of NBFC.

2. SUBSIDIARY AND ASSOCIATES

During the year ended March 31, 2022, the Company has only one associate namely Oswal Greentech Limited. Save and except the same, no other company has become or ceased as a subsidiary, associate, or joint venture of your company.

Consolidation of accounts

In pursuance of the provision of the Companies Act, 2013, and the rules framed thereunder, SEBI Listing (Obligations & Disclosure Requirements) 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.

3. REPORT ON 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 Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The principal business of the associate company is trading and development of real estate projects. Further, OGL also invests its surplus funds as interest bearing inter-corporate deposits. During the year, OGL has recorded total revenue of Rs. 10,573.38 Lakhs and profit after tax of Rs. 4,605.34 Lakhs.

4. DIVIDEND

With a view to conserve the scarce liquid resources of the Company, the Directors do not recommend any dividend for the year ended March 31, 2022.

5. DEPOSITS

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

6. RESERVES

Your directors do not propose to transfer any amount to the general reserve and entire amount of profit for the year forms part of the 'Retained Earnings'.

7. DISCLOSURE UNDER SECTION 134(3)(I) of the Companies Act, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

There were no significant or material orders passed by the regulators, courts and tribunals during the year ended March 31, 2022.

9. AUDITORS

(i) Statutory Auditors and their report:

Members of the Company at the 37th Annual General Meeting (AGM) held on September 28, 2017 approved the appointment of M/s Agarwal & Dhandhanias, Chartered Accountants (Registration No. 125756W) ("Retiring Auditor") as the Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of said Annual General Meeting till the conclusion of the 42nd Annual General Meeting.

The Board of Directors of the Company ("the Board"), at its meeting held on August 29, 2022 has, considered the recommendation of the Audit Committee and propose to the Members of the Company appointment of M/s Oswal Sunil & Company, Chartered Accountants (Registration No. 016520N), as Statutory Auditors of the Company in place of the Retiring Auditors, for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 47th Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company.

M/s Oswal Sunil & Company, Chartered Accountants have consented their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

M/s Oswal Sunil & Company, Chartered Accountants, have also provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their report on the Financial Statements of the Company for the year ended March 31, 2022.

During the year under review, the Statutory Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013.

(ii) Secretarial Auditors and their report & Secretarial Standards

As required under provisions of Section 204 of the Companies Act, 2013 and pursuant to Regulation 24A of Listing Regulations, the reports in respect of the Secretarial Audit for FY 2021-22 carried out by M/s. CT & Company, Company Secretaries, in Form MR-3 enclosed herewith as Annexure A.

Also, a secretarial compliance report for the financial year ended March 31, 2022 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s CT & Company, Company Secretaries and submitted with the National Stock Exchange of India Ltd and BSE Limited.

During the financial year, the Company has complied with applicable Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively

Report of secretarial auditors: The Secretarial Auditor's report doesn't contain any qualification or reservation requiring explanation or adverse remark.

(iii) Internal Auditors and their report

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rules made thereunder, the Company had appointed M/s T R Chadha & Co. LLP, Chartered Accountants, New Delhi as Internal Auditors of the Company for the financial year ended March 31, 2022.

Further, the Board of Directors at their meeting held on August 29, 2022 has appointed M/s SVP and Associates, Chartered Accountants, (FRN: 003838N) as Internal Auditors of the Company for the financial year 2022-23.

The Internal Auditor's reports are periodically submitted with the Audit Committee for its review and further course of action thereon.

10. ANNUAL RETURN

Pursuant to section 92(3) read with section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website at www.oswalagromills.com.

11. TRANSACTIONS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a policy on Related Party Transaction. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

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

During the year, the company has mainly dealt in the trading of commodities with Jindal Steel and Power Limited ("JSPL"). JSPL, a related party to the Company as per Indian Accounting Standard 24, has contributed significantly to the Company's revenue and profits during financial year 2021-22. The transactions were carried out based on competitive considerations, at arm's length and in the ordinary course of business. Transactions between the Company and JSPL during financial year 2021-22 are detailed in the table below:

| Name of related party | Name of Director/ KMP interested | Nature of relationship | Nature of transaction | Value of transaction | % of consolidated turnover (as per last audited balance sheet) |
|--------------------------------|----------------------------------|---|-----------------------|----------------------|--|
| Jindal Steel and Power Limited | Dr. Aruna Oswal | Significant influence of close family member of Director of the Company | Sale of commodities | 252.08 | 4.89 % |

Approval of the shareholders is not required to be taken under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the Related Party Transactions were not material. All the existing and proposed transactions with related parties are in the ordinary course of business and on arm's length basis. Form AOC-2 has been enclosed herewith in the prescribed format as **Annexure-B**.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Bhola Nath Gupta (DIN: 00562338), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. Your Board recommends his re-appointment as Director for your approval.

A brief profile of Mr. Bhola Nath Gupta and the resolution for his appointment as Director are given in the Notice of the 42nd Annual General Meeting. Except Mr. Bhola Nath Gupta and his relatives, no other Director(s) and their respective relative are interested in the said resolution.

During the year, Mr. Ramesh Kumar Khanna, Independent and Non-executive Director of the Company ceased to be director due to his sad demise on May 23, 2021. The Board of Directors conveyed its heart-felt condolences for the deceased and conversed about the invaluable guidance and contributions rendered by him during his tenure as Director of the Company.

The Board of Directors, upon the recommendation of Nomination & Remuneration Committee, at its meeting held on August 12, 2021 had appointed Mr. Dhiraj Gupta as an Additional Non-executive Independent Director of the Company w.e.f. August 13, 2021, whose appointment was being approved by the shareholders at Annual General Meeting held for the year 2020-21.

Further, during the year, Mr. Gopal, Company Secretary (KMP) & Compliance Officer of the company submitted his resignation from the position with effect from November 15, 2021 due to personal reasons. The Board appreciated the valuable services rendered by Mr. Gopal during his tenure as Company Secretary & Compliance Officer of the Company.

The Board of Directors upon the recommendation of Nomination & Remuneration Committee at its meeting held on November 10, 2021, appointed Ms. Anjali Aggarwal as the Company Secretary (KMP) & Compliance Officer of the company w.e.f November 16, 2021.

On account of personal reasons, Mr. Pulkit Gupta, Non-executive and Independent Director of the Company, resigned from the position of the Independent Director w.e.f. June 28, 2022. The Board has placed on record its deep appreciation for the invaluable support and guidance received from Mr. Gupta during his association as a Non-executive Independent Director of the Company. Subsequently, the Board of Directors, upon the recommendation of Nomination & Remuneration Committee, at their meeting held on July 6, 2022, has appointed Mr. Himanshu Agarwal as Non-executive and Independent Director of the Company w.e.f. July 6, 2022 for an initial term of 5 years and subject to the approval of shareholders of the Company at the ensuing 42nd AGM of the Company scheduled to be held on

September 28, 2022. With these additions, the Board has increased diversity in terms of age, expertise, domain experience.

The Company had received a notice under section 160 of the Companies Act, 2013 from a member of the Company signifying its intention to propose the candidature of Mr. Dhiraj Gupta for the office of Director (Non-executive & Independent) of the Company. The Nomination and Remuneration Committee of the Company has recommended the appointment of Mr. Dhiraj Gupta for the office of Director (Non-executive & Independent) of the Company.

Further, during the year, Mr. Gopal, Company Secretary (KMP) & Compliance Officer of the company submitted his resignation from the position with effect from November 15, 2021 due to personal reasons. The Board appreciated the valuable services rendered by Mr. Gopal during his tenure as Company Secretary & Compliance Officer of the Company.

The Board of Directors upon the recommendation of Nomination & Remuneration Committee at its meeting held on November 10, 2021, appointed Ms. Anjali Aggarwal as the Company Secretary (KMP) & Compliance Officer of the company w.e.f November 16, 2021.

The policy on Directors' and KMP appointment and remuneration, including the criteria for determining the qualifications, positive attributes and independence of Directors is enclosed as Annexure C to this report.

Declaration from Independent Directors: The Company has received all the applicable declarations under section 149(7) of the Companies Act, 2013, Rule 6(3) of the Companies (Appointment and Qualification of Directors) fifth Amendment Rules, 2019 and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") from each Independent Director. There have been no circumstances affecting their status as independent directors of the Company. No Director of the Company is disqualified under any law to act as a director.

During the year under review, 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.

13. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- (ii) they have 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 at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operate effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants 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 the financial year 2021-22.

14. AUDIT COMMITTEE

As on the date of this report, the Audit Committee of the Board of Directors of the Company comprised of 4 (Four) members, namely Mr. Mohinder Pal Singh, Dr. Aruna Oswal, Mr. Pulkit Gupta and Mr. Dhiraj Gupta, out of them 3 members are Independent Directors. Mr. Mohinder Pal Singh, an Independent Director, is the Chairman of the Audit Committee. The Audit Committee has met 4 times and reviewed the financial statements for each quarter/ financial year ended 31.03.2022 and has not given any adverse observations.

Mr. Ramesh Kumar Khanna, Member of Audit Committee, ceased to be member w.e.f. May 23, 2021 on account of his sad demise. Mr. Pulkit Gupta, Director (Independent & Non-executive) has ceased to be member of the Audit Committee on account of his resignation from the position of Director of the Company. Subsequently, the Board of Directors at its meeting held on July 6, 2022 has appointed Mr. Himanshu Agarwal as Independent Director of the Company and he has joined the Audit Committee in place of Mr. Pulkit Gupta.

The Board accepted the recommendations of the Audit Committee as and whenever made by the Committee during the year.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure D** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Policy is available on the website of the Company at www.oswalagromills.com.

16. 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 applicable on the Company.

17. 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 behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal.

It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at www.oswalagromills.com.

18. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

The Company is committed to adopting and adhering to established world-class corporate governance practices. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders. The report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. The compliance report on corporate governance and a certificate from M/s. CT & Company, Company Secretaries, New Delhi, regarding compliance of the conditions of corporate governance, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as Annexure E to this report.

19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Management Discussion and Analysis Report for the year under review is presented in a separate segment which is forming part of the Annual Report as **Annexure F**.

20. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment of Women at Workplace Act") and Rules framed therein an Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates and it is ensured organization wide dissemination of the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act by conducting sessions throughout 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 |

The Sexual Harassment policy is posted on the website of the Company at www.oswalagromills.com.

21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

(A) The information required under section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- (a) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| S. No. | Executive Directors | Ratio to median remuneration |
|--------|--|------------------------------|
| 1 | Mr. Bhola Nath Gupta, Wholetime Director & CEO | 6.45:1 |

- (b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

| S. No. | Executive Directors & CEO and CS | % increase in remuneration in the financial year |
|--------|--|--|
| 1 | Mr. Bhola Nath Gupta, Wholetime Director & CEO | NIL |
| 2 | Mr. Parveen Chopra, CFO | NIL |
| 3 | Mr. Gopal, CS (upto 15.11.2021) | NIL |
| 4 | Ms. Anjali Aggarwal, CS (w.e.f. 16.11.2021) | NIL |

- (c) The percentage increase in the median remuneration of employees in the financial year: 7.03%
- (d) The number of permanent employees on the roll of the Company (as on March 31, 2022): 28
- (e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: There has been no change in the average % managerial increase while for others it is about 11.33%. During the year, there was no actual increase in the remuneration/salaries of managerial personnel as well as other employees of the company. The given ratios and percentage increase are based on the changes in total remuneration paid during the financial year as compared to previous financial year and due to any change in allowances paid on actual basis to managerial personnel or to any employee e.g. payment of LTA, medical allowances, leave encashment and overtime allowances etc. and due to addition of new employees in Company during FY 2021-22
- (f) affirmation that remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.

(B) PARTICULARS OF EMPLOYEES

| Sl. No. | Name | Designation | Age (Yrs) | Qualification | Remuneration (Rs in Lakhs) | Date of Commencement of Employment | Experience (Yrs) | Last Employment Held & Designation |
|---------|---------------------------|-------------------------------|-----------|-----------------------------|----------------------------|------------------------------------|------------------|--|
| 1. | Mr. Bhola Nath Gupta | Whole Time Director & CEO | 72 | B. Sc. Agri. Engg. MBA | 33.12 | 01.04.2014 | 48 | GM (Com.), Oswal Greentech Limited |
| 2. | Mr. Mahesh C Rawal | Manager Accounts | 65 | C A (Inter), B. Com | 26.35 | 01.01.2017 | 38 | Accounts Manager, Oswal Greentech Limited |
| 3. | Mr. Parveen Chopra | CFO | 65 | B. Com | 22.14 | 01.04.2014 | 41 | Accounts Manager, Oswal Greentech Limited |
| 4. | Mr. T R Jawaharlal | Officer on Special Duty | 63 | B. Com (HR) | 21.90 | 01.06.2017 | 41 | Officer on Special Duty, Oswal Greentech Limited |
| 5. | Mr. Vinaya Ram Chamoli | Manager-Accounts | 58 | B.com (Hons.) | 14.15 | 01.04.2021 | 40 | Manager Accounts. Oswal Greentech Limited |
| 6. | Mr. Sanjay Kumar Singh | Manager-Legal | 64 | LLB | 14.01 | 01.04.2021 | 25 | Manager-Legal, Oswal Greentech Limited |
| 7. | Mr. Muktilal Bhurtal | Sr. Assistant | 61 | Inter | 9.62 | 01.01.2017 | 39 | Sr. Assistant, Oswal Greentech Limited |
| 8. | Mr. Yogender Kumar Gautam | Assistant Manager-Secretarial | 57 | Masters in Computer Science | 8.54 | 01.04.2021 | 35 | Assistant Manager-Oswal Greentech Limited |
| 9. | Mr. Vir Bahadur Singh | Supervisor | 56 | Inter | 7.45 | 01.01.2017 | 29 | Supervisor, Oswal Greentech Limited |
| 10. | Mr. Jayesh Kavalekar | Chauffeur | 51 | Inter | 5.98 | 01.01.2017 | 23 | Chauffeur, Oswal Greentech Limited |

22. ADDITIONAL DISCLOSURES UNDER COMPANIES (ACCOUNTS) RULES, 2014

- a. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year: During the Financial Year under review, the Company has made neither any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), therefore, it is not applicable to the Company.
- b. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof. During the Financial Year under review, it is not applicable to the Company

23. BOARD EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by the Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, contribution at the meetings, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Board reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January, 2017.

In a separate meeting of Independent Directors:

- (i) performance of Non-Independent Directors and the Board as a whole was evaluated;
- (ii) performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Director was evaluated.

The same was discussed in the Board meeting held subsequently to the meeting of the Independent Directors. The performance of the Board, its Committees and individual Directors was also reviewed by the Board. The performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

24. INDEPENDENT DIRECTORS MEETING

The Independent Directors of the Company met on November 10, 2021, inter alia:

- (i) Review the performance of non-Independent Directors and the Board of Directors as a whole;
- (ii) Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;
- (iii) 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.

25. NUMBER OF MEETINGS OF BOARD

The meetings of the Board of directors held during the period under review are as follows; on 25.06.2021, 13.08.2021, 25.08.2021, 11.11.2021 and 11.02.2022. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

26. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Adequate internal control systems commensurate with the nature of the Company's business, size and complexity of its operations are in place and have been operating satisfactorily.

Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations. Internal control systems are designed to ensure that all assets and resources are acquired economically, used efficiently and adequately protected.

Adequacy of internal financial control with reference to financial statements: The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

27. 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 financial statement. Particulars of investment made are provided under Note No. 5, 6 and 12 to the financial statement provided in this Annual Report. The Company has not given any guarantee or security in connection with a loan to any other body corporate or person.

28. PARTICULARS OF ENERGY CONSERVATION/TECHNOLOGY ABSORPTION/FOREIGN EXCHANGE EARNINGS AND OUT GO

- (A) Information regarding conservation of energy and technology absorption: At Oswal Agro Mills Limited, our continuous approach is towards achieving maximum energy efficiency and absorption of technology in our operations and initiatives undertaken by the Company.
- (B) Foreign exchange earning and outgo: During the year under review, there were no foreign exchange earnings and outgo.

29. RISK MANAGEMENT

The Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically.

Our risk management framework is designed to be simple, consistent and clear for managing and reporting risks from the Group's businesses to the Board. Our management systems, organizational structures, processes, standards and code of conduct together form the system of internal controls that govern how we conduct business and manage associated risks. We have a multi-layered risk management framework to effectively mitigate the various risks, which our businesses are exposed to in the course of their operations.

Major risks identified by businesses and functions are systematically addressed through mitigating actions. Risk officers have also been formally nominated at operating businesses, as well as at Group level, to develop the risk-management culture within the businesses.

Our Risk Management Framework is designed to help the organization to meet its objectives through alignment of operating controls with the Company's mission and vision. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The risk management policy has been posted on website of the Company at <http://oswalagromills.com/Home/content/policies/Policies>.

30. 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 March 31, 2022.

The annual report of the Company contains a certificate by the CEO and Wholtime Director in terms of Listing Regulations on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

31. HUMAN RELATIONS

Human resources play a significant role in your Company's growth strategy. Your Company emphasized on talent nurturing, retention and engaging in a constructive relationship with employees with a focus on productivity and efficiency and underlining safe working practices. 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.

32. LISTING

Presently, the Company's equity shares are listed on the following Stock Exchanges:

- (a) The National Stock Exchange of India Ltd., Mumbai
- (b) BSE Limited, Mumbai

33. APPRECIATION AND ACKNOWLEDGMENT

Your Directors take this opportunity to place on record their sincere gratitude for assistance and cooperation received from Central & State Governments, banks, financial institutions, shareholders, business associates and esteemed customers for their continued support and assistance during the year.

Your Directors also place on record their appreciation for the excellent contribution made by all employees of Oswal Agro Mills Limited through their commitment, competence, co-operation and diligence to duty in achieving consistent growth of the Company.

34. APPRECIATION AND ACKNOWLEDGMENT

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By Order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Date : August 29, 2022

Sd/-
Dr. Aruna Oswal
Chairperson
DIN: 00988524

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2022

Annexure-A

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, 2022, 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 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. 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;
4. 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;
5. 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;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable during the financial year under review.
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable during the financial year under review.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable during the financial year under review.
 - h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 – Not applicable during the financial year under review.

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.

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 including one women director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all Directors to schedule the Board Meetings, including committee(s), agenda and detailed notes on agenda were sent in advance (and at a Shorter Notice for which necessary approvals were obtained), 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 were 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 that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b) 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.
- c) 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 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
Membership No. - F11497
Certificate of Practice No.- 16406
Firm Registration No. P2014DE054100
Peer review certificate No.-2090/2022
UDIN- F011497D000861676

Place : New Delhi
Date : August 29, 2022

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 event date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For CT & Company
Company Secretaries

Shivam Garg
Partner
Membership No. - F11497
Certificate of Practice No.- 16406
Firm Registration No. P2014DE054100
Peer review certificate No.-2090/2022
UDIN- F011497D000861676

Place : New Delhi
Date : August 29, 2022

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 arm's length transactions under third proviso thereto

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

There were no contracts or arrangements or transactions entered during the year under consideration, which were not at arm's length basis.

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

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date of approval by the Board, if any | Amount paid as advances, if any |
|---|---|---|--|---------------------------------------|---------------------------------|
| ----- Nil ----- | | | | | |

For & on behalf of the Board
Oswal Agro Mills Limited

Place : New Delhi
Date : August 29, 2022

Dr. Aruna Oswal
Chairperson
DIN 00988524

POLICY ON NOMINATION, REMUNERATION & BOARD DIVERSITY

Annexure-C

OBJECTIVE AND SCOPE

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, has approved and adopted this policy on Nomination, Remuneration and Board Diversity (the "**Policy**"), in compliance with the provisions of Section 178 of the Companies Act, 2013, the rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended from time to time ("**Listing Regulations**").

The policy is intended to set out criteria for remuneration of the directors, key managerial personnel, senior management and other employees of the Company in accordance with the goals of the Company.

OBJECTIVES

The main objectives of this Policy are:

- To lay down criteria and terms and conditions for determining qualifications, competencies and positive attributes for appointment of directors (executive and non-executive including independent directors), Key Managerial Personnel and persons who may be appointed in senior management positions;
- To lay down criteria for determining the Company's approach to ensure adequate diversity in its Board;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage for the Company;
- To determine remuneration of directors, Key Managerial Personnel and other senior management personnel keeping in view all the relevant factors including industry trends and practices;
- To provide for rewards linked directly to their effort, performance, dedication and achievement of Company's targets.

DEFINITIONS

"**Act**" shall mean the Companies Act, 2013 including the rules made thereunder, as amended from time to time.

"**Board**" or "**Board of Directors**" means Board of Directors of the Company.

"**Committee**" means the Nomination and Remuneration Committee of the Company constituted by the Board of Directors of the Company in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations.

"**Company**" means Oswal Agro Mills Limited.

"**Independent Director**" means an Independent Director as per the provisions of Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations.

“Key Managerial Personnel” or “KMP” of the Company means the Chief Executive Officer or Managing Director or Manager, Company Secretary, Wholetime Director, Chief Financial Officer and such other officer, not more than one level below the directors, who is in whole-time employment of the Company and designated as Key Managerial Personnel by the Board and any other officer as prescribed under the Act.

“Senior Management”, for the purpose of this Policy, means officers/ personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of the management one level below the chief executive officer/managing director/ whole time director/ manager (including chief executive officer/ manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer.

INTERPRETATION

The words and expressions used in this Policy unless defined herein shall have the meaning assigned to them in the Act, Listing Regulations and such other act, laws, rules or regulations along with any statutory modification(s) or re-enactment(s) thereof, as the case may be.

If due to any reason, any provisions(s)/ clause(s) of this Policy is rendered unlawful or unenforceable, then the Policy shall be read as excluding that provision(s)/ clause(s).

All references to the plural herein shall also mean the singular and to the singular shall also mean the plural unless the context otherwise requires.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted the “Nomination and Remuneration Committee” of the Board in line with the requirements of the Act and Listing Regulations. This Policy and the Committee’s charter are integral to the functioning of the Committee and are to be read together.

1. Attributes, qualifications and diversity

A) Directors and Key Managerial Personnel

The Committee shall be responsible for identifying suitable candidates for appointment as directors or as KMPs of the Company.

The Board shall consist of such number of directors as is necessary to effectively manage the company of the size and nature as of Oswal Agro Mills Limited, keeping in view the Articles of Association of the Company. The Board shall have an optimum combination of executive and non-executive directors with at least one independent woman director and not less than fifty per cent of the Board shall comprise of non-executive directors. The roles of the Chairman and Managing Director or Chief Executive Officer shall not be exercised by the same individual.

While evaluating a person for appointment/ re-appointment as director or as KMP, the Committee shall consider and evaluate number of factors including but not limited to background, knowledge, skills, abilities (ability to exercise sound judgment), professional experience and functional expertise, educational and professional background, personal accomplishment, age, experience, understanding of the telecommunication sector/industry, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board.

The Committee shall ensure that the proposed director satisfies the following additional criteria at the time of appointment/ re-appointment:

- Eligible for appointment as a director on the Board of the Company and is not disqualified in terms of Section 164 and other applicable provisions of the Act and the Listing Regulations.
- Has attained minimum age of 25 years and is not older than 75 years.
- Does not hold directorship in more than 20 companies (including private and public limited companies) or 10 public limited companies incorporated in India. Also, he/ she shall not hold directorship in more than such number of listed companies as may be prescribed in the Listing Regulations.

For the purpose of the above, the count for the number of listed entities on which a person is a director shall be only those whose equity shares are listed on a stock exchange.

- Will be able to devote sufficient time and efforts in discharge of duties and responsibilities effectively.

While evaluating a person for appointment / re-appointment as an Independent Director, the Committee shall ensure that the proposed appointee satisfies the following additional criteria:

- Meet the baseline definition and criteria of “independence” as set out in Section 149(6) of the Act, Regulation 16(1)(b) of the Listing Regulations and other applicable laws.
- Should not hold the position of Independent Director in more than the permitted number of listed companies as may be prescribed in the Listing Regulations.

For the purpose of the above, the count for the number of listed entities on which a person is an independent director shall be only those whose equity shares are listed on a stock exchange.

- Should not hold any board/ employment position with a competitor in the geographies where the Company is operating. However, the Board may in special circumstances, waive this requirement.

The re-appointment/ extension of term of any member of the Board shall be on the basis of their performance evaluation report.

B) Senior Management

While evaluating a person for appointment/ re-appointment in a senior management position, the management shall consider various factors including individual's background, competency, skills, abilities (viz. leadership, ability to exercise sound judgement), educational and professional background, personal accomplishment, age, relevant experience and understanding of related field viz. marketing technology, finance or such other discipline relevant to present and prospective operations of the Company.

2. Key Skills

The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating candidates to serve on the Board.

| | |
|--|--|
| Strategic Planning and Leadership skills | Ability to think strategically and to identify and critically assess opportunities and threats and develop effective strategies in the context of objectives of the Company's relevant policies and priorities. Appreciation of long-term trends, understanding diverse business environment, regulatory framework, economic and political conditions, strategic choices and experience in guiding and leading management teams. |
| Financial and Risk Management | Wide ranging financial skills, accounting and reporting, treasury operations, corporate finance and internal controls, including assessing quality of financial control. Identification of key risks to the Company and monitoring the effectiveness of risk management framework and practices. |
| Technology and digital expertise | A background in technology, resulting in knowledge of anticipating technological trends, generating disruptive innovation and extending or creating new business models. |
| Governance | Experience in developing governance practices, serving the best interest of all stakeholders, maintaining Board and management accountability, effective stakeholder engagements and commitment to highest standards of corporate ethics and values. |
| Industry and sector experience or knowledge | Knowledge and experience to provide strategic guidance to the management. |
| HR, Health, safety, environment and sustainability | Know-how of working on talent management and development, environment, health, safety, sustainability and corporate social responsibility activities directly or as a part of operational responsibility for long term value creation. |

3. Removal of Directors, KMP or Senior Management

Subject to the provisions of the Articles of Association of the Company:

- The removal of any director can be recommended by the Committee to the Board and shall finally be approved by the shareholders basis recommendation of the Board.
- The removal of KMP and Senior Management shall be approved by the Board based on the recommendation of the Committee and Chairman/ Managing Director of the Company.

4. Remuneration Policy

A) Board Members

The overall limits of remuneration of the Board members are governed by the provisions of Section 197 of the Act and Listing Regulations and shall be approved by the shareholders of the Company and shall be subject to the availability of profits of the Company.

Within the overall limit approved by the shareholders, on the recommendation of the Committee, the Board shall determine the remuneration including the sitting fees payable for attending the meetings of the Board and Committees. The Board can determine different remuneration for different directors on the basis of their role, responsibilities, duties, time involvement etc.

B) Non-Executive Directors including Independent Directors

Sitting fees

In addition to the profit linked commission, the Independent Directors may also be paid sitting fees, as determined by the Board from time to time, up to ₹ 100,000 for attending the meetings in accordance with the provisions of the Act.

C) Remuneration to Key Managerial Personnel and Senior Management

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

5. Diversity on the Board of the Company

The Company aims to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity in better and improved decision making. In order to ensure that the Company's Board has appropriate balance of skills, experience and diversity relevant to its business operations, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

6. Disclosures by the Company

This Policy shall be disclosed on the website of the Company at www.oswalagromills.com and in the Company's annual report.

7. General Limitations

In the event of any conflict between this Policy and any regulatory provision(s), such regulatory provision(s) shall prevail over this Policy.

8. Review of Policy and Amendment

This Policy will be reviewed and updated from time to time, as may be required. The Chief Financial Officer along with Company Secretary and the Chief Human Resource officer are jointly authorized to amend the Policy to give effect to any changes/amendments notified by Ministry of Corporate Affairs, Securities and Exchange Board of India or any appropriate authority from time to time.

Such amended policy shall be placed before the Board for noting and ratification in the next meeting held after such changes/amendments are effected. Any questions and clarifications relating to this Policy should be addressed to the Company Secretary at cs@oswalagromills.com.

By the order of the Board
For Oswal Agro Mills Limited

Place : New Delhi
Date : August 29, 2022

Dr. Aruna Oswal
Chairperson
DIN: 00988524

CORPORATE SOCIAL RESPONSIBILITY REPORT

1. **Brief outline on CSR policy of the Company:** At Oswal, we believe in taking our corporate social responsibilities beyond the mandates and are committed to give back to society recognizing fully well how much we owe it. We actively look for opportunities to help and support the needy and the under served in various areas of human life: education, healthcare, culture, spirituality and more. These initiatives are independent of the normal conduct of our business.

2. **Composition of CSR Committee:**

| S. No. | Name of Director | Designation/ Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|-----------------------|---|--|--|
| 1 | Dr. Aruna Oswal | Chairperson of committee & Non-executive Director | 3 | 1 |
| 2 | Mr. Anil Kumar Bhalla | Non-Executive Director | | 2 |
| 3 | Mr. Pulkit Gupta | Non-executive & Independent Director | | 2 |

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:** www.oswalagromills.com
4. **Provide the details of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Not Applicable as the company does not have average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years.
5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

| S. No. | Financial year | Amount available for set-off from preceding financial years (in Rs.) | Amount required to be set off for the financial year, if any (in Rs.) |
|--------|----------------|--|---|
| 1. | 2020-21 | NIL | NIL |
| 2. | 2019-20 | NIL | NIL |
| 3. | 2018-19 | NIL | NIL |

6. **Average net profit of the Company as per section 135(5):**

Net profit for last three financial years:

2020-21: Rs. 1,362.76 Lakh

2019-20: Rs. 910.59 Lakh

2018-19: Rs. 1,249.29 Lakh

Average net profit: Rs. 1,174.21 Lakh

7. (a) **Two percent of average net profit of the company as per section 135(5):** Rs. 23.48 Lakh
- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL
- (c) **Amount required to be set off for the financial year:** NIL
- (d) **Total CSR obligation for the financial year (7a+7b-7c):** Rs. 23.48 Lakh
8. (a) **CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the fund | Amount | Date of transfer |
| 25 Lakh | NIL | NA | - | NIL | NA |

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

| S. No | Name of the project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project (in Rs.) | Amount spent in the current financial Year (in Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.) | Mode of Implementation-Direct (Yes/No) | Mode of Implementation – Through Implementing Agency | |
|-------|---------------------|--|---------------------|-------------------------|----------|------------------|---|---|--|--|--|----------------------|
| 1. | | | | State | District | | | | | | Name | CSR Registration No. |

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

| S. No. | Name of project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of project | | Amount spent for the project (in Rs.) | Mode of implementation –Direct (Yes/No) | Mode of implementation -Through implementing agency | |
|--------|--|---|----------------------|---------------------|-----------|---------------------------------------|---|---|----------------------|
| | | | | State | District | | | Name | CSR Registration No. |
| 1. | Contribution to Aruna Abhey Oswal Trust in respect of expenditure on initiatives in health-care sector | Healthcare services | Yes | Delhi | New Delhi | 25.00 Lakhs | No | Aruna Abhey Oswal Trust | CSR00024768 |

(d) Amount spent in administrative overheads: Rs. NIL (included in (c) above)

(e) Amount spent on Impact assessment, if applicable: NIL

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 25.00 Lakhs

(g) Excess amount for set off, if any: NIL

| S. No. | Particulars | Amount (in Rs.) |
|--------|---|-----------------|
| (i) | Two per cent of average net profit of the company as per section 135(5) | 23.48 Lakh |
| (ii) | Total amount spent for the Financial Year | 25.00 Lakh |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 1.52 Lakh |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 1.52 Lakh |

9. (a) Details of unspent CSR amount for the preceding three financial years:

| S. No. | Preceding financial year | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any | | | Amount remaining to be spent in succeeding financial years (in Rs.) |
|---------------|--------------------------|--|---|---|-----------------|------------------|---|
| | | | | Name of the fund | Amount (in Rs.) | Date of transfer | |
| -----NIL----- | | | | | | | |

Oswal Agro Mills Limited

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| S. No. | Project ID | Name of the Project | Financial year in which the project was commenced | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on the project in the reporting Financial Year (in Rs) | Cumulative amount spent at the end of reporting Financial Year (in Rs.) | Status of the project - Completed/ Ongoing. |
|---------------|------------|---------------------|---|------------------|---|---|---|---|
| -----NIL----- | | | | | | | | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**): During the year ended March 31, 2022, no capital asset was created or acquired by the company through CSR amount.

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

For Oswal Agro Mills Limited

Dr. Aruna Oswal
Chairperson of CSR Committee

Mr. Bhola Nath Gupta
Wholtime Director & CEO

REPORT ON CORPORATE GOVERNANCE

At Oswal Agro Mills Limited (“OAML”) Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders’ value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses.

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), and the report contains the details of Corporate Governance systems and processes at your Company.

1. COMPANY’S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company has implemented and continuously tries to improve the Corporate Governance Practices with an attempt to meet stakeholders’ expectations’ and Company’s societal commitments through high standards of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business with strict compliance of regulatory guidelines on Corporate Governance.

“Transparency, honesty, efficiency, complete and timely disclosure and sustained enhancement of shareholders value, justice to vendors, employees and the society at large are the cardinal principles of Corporate Governance for your Company”

During the year the Company has complied with the corporate governance norms stipulated under regulation 17 to 27 and clauses (b) to (i) of the sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, including any statutory modifications or re-enactments thereof (hereinafter referred to as the “SEBI Listing Regulations”).

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V to the SEBI Listing Regulations, as amended from time to time is given below:

2. BOARD OF DIRECTORS

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate the functions of governance and management. As on March 31, 2022, the Board of the Company comprised of 6 Directors that includes one Woman Director.

(i) Composition and Category of Directors as on March 31, 2022 is as follows:

| Category | No. of Directors | Percentage |
|---|-------------------------|-------------------|
| Executive Director | 1 | 17% |
| Non-executive & Independent Directors | 3 | 50% |
| Non-executive & Non-Independent Directors | 2 | 33% |
| Total | 6 | 100% |

As on March 31, 2022 the composition of Board complies with the provisions of the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). As mandated in regulation 26 of SEBI Listing Regulations, 2015, none of the Director is a member of more than 10 Board level committees or Chairman of more than 5 committees across Companies in which he/ she is a director. The maximum number of Directorship held by all our directors are within the limit of 7 listed entities and none of the Directors of our Company serve as an Independent Director in more than 7 listed entities.

None of the Directors are disqualified under section 164 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Bhola Nath Gupta, Director (DIN: 00562338) who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

During the year, Mr. Ramesh Kumar Khanna, Independent and Non-executive Director of the Company ceased to be director due to his sad demise on May 23, 2021. The Board of Directors conveyed its heart-felt condolences for the deceased and conversed about the invaluable guidance and contributions rendered by him during his tenure as Director of the Company.

The Board of Directors, upon the recommendation of Nomination & Remuneration Committee, at its meeting held on August 12, 2021 had appointed Mr. Dhiraj Gupta as an Additional Non-executive Independent Director of the Company w.e.f. August 13, 2021, whose appointment was being approved by the shareholders at Annual General Meeting held for the year 2020-21.

The Company had received a notice under section 160 of the Companies Act, 2013 from a member of the Company signifying its intention to propose the candidature of Mr. Dhiraj Gupta for the office of Director (Non-executive & Independent) of the Company.

The Nomination and Remuneration Committee of the Company has recommended the appointment of Mr. Dhiraj Gupta for the office of Director (Non-executive & Independent) of the Company.

Details of Board Composition as on March 31, 2022 are as follows:

| Directors | Designation and category | No. of other Directorships held* | No. of other Board Committees# of the Companies* | | Shareholding in the Company |
|--------------------------------------|--------------------------------------|----------------------------------|--|-------------|-----------------------------|
| | | | As member | As Chairman | |
| Dr. Aruna Oswal | Promoter & Non-executive Director | 1 | - | - | 56026460 shares |
| Mr. Anil Kumar Bhalla | Non-executive Director | 1 | 1 | - | NIL |
| Mr. Bhola Nath Gupta | Executive Director | - | - | - | NIL |
| Mr. Mohinder Pal Singh | Non-executive & Independent Director | - | - | - | NIL |
| Mr. Ramesh Kumar Khanna® | Non-executive & Independent Director | - | - | - | NIL |
| Mr. Pulkit Gupta | Non-executive & Independent Director | - | - | - | NIL |
| Mr. Dhiraj Gupta (w.e.f. 13.08.2021) | Non-executive & Independent Director | - | - | - | NIL |

*excluding Oswal Agro Mills Limited, Private Companies, Sec 8 Companies and Foreign Companies

#Only two committees i.e. the Audit Committee and the Stakeholders Relationship Committee have been considered for this purpose in terms of regulation 26(1) of Listing Regulations.

@ceased to be Director of the Company w.e.f. May 23, 2021 on account of his sad demise.

None of the Directors of the Company are related.

1. In the opinion of the board, the Independent Directors have met the criteria of independence under section 149(6) of the Act and regulation 16(1)(b) and 25(8) of the SEBI Listing Regulations. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from December 1, 2019.
2. The Company has proper systems to enable the Board of Directors to periodically review the compliance reports of all laws applicable to the Company.
3. During the year 2021-22, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.
4. The Company has in place, plans for orderly succession for appointment to the Board of Directors and Senior Management.
5. The Company also, has in place, procedures to inform Members of the Board of Directors about the risk assessment and minimization. The Company also has in place a Risk Management Policy.

(ii) Details of directorships in other Listed Entities held by the Directors of the Company as at March 31, 2022:

| Name of the Directors | Name of listed entities | Category |
|-----------------------|-------------------------|--------------------|
| Dr. Aruna Oswal | Oswal Greentech Limited | Executive Director |
| Mr. Anil Kumar Bhalla | Oswal Greentech Limited | Executive Director |

(iii) List of core skills/ expertise/ competencies required in the Company's Board to enable it function effectively and those actually available:

The Board identifies the following core skills / expertise / competencies that it perceives it ought to have in the process of governing the Company. It is further of the view that as a whole it possesses these skills / expertise / competencies and is applying them in governing the Company:

| <div style="text-align: center;"> Directors as on March 31, 2022 </div> <div style="text-align: center;"> Skill Sets </div> | Dr. Aruna Oswal | Mr. Anil Kumar Bhalla | Mr. Bholu Nath Gupta | Mr. Pulkit Gupta | Mr. Dhiraj Gupta | Mr. Mohinder Pal Singh |
|--|-----------------|-----------------------|----------------------|------------------|------------------|------------------------|
| Strategizing capability | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Capacity to identify risks and macro level concerns in the Company. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Aptitude in the arenas of finance, control, information technology and governance mechanisms so as to be able to examine and analyse these areas in the context of the Company's requirements and be in a position to determine gaps in the Management's thought process or the approach to these. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ability to judge the degree of adroitness and clear thinking that go into taking business decisions taken by the Management, identify discontinuities and anomalies, critique such decisions where necessary and thereafter direct initiation of the required action as deemed best under the circumstances. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Encouraging diversity in the methodologies of the Company looking at operational and related constraints and suggesting ways forward. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ability to engage in a healthy and cogent debate within itself (including in Board Committees) on the various governance processes with the objective of finding solutions to issues affecting the Company. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

(iv) Number of Board Meetings held and date of meeting:

The Board generally meets at least 4 times in a year, with 1 meeting being held in every quarter. The intervening period between two board meetings is within the maximum time gap of 120 days as prescribed under SEBI Listing Regulations. Generally, the Board Meeting dates are fixed well in advance and necessary intimations and disclosures are filed within stipulated timelines.

During the year under review, 5 (five) meetings of Board of Directors were held on following dates:

| Date of the meeting | Board strength | No. of Directors present |
|---------------------|----------------|--------------------------|
| June 25, 2021 | 5 | 5 |
| August 13, 2021 | 6 | 5 |
| August 25, 2021 | 6 | 4 |
| November 11, 2021 | 6 | 6 |
| February 11, 2022 | 6 | 5 |

The notice of the Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set up by the Company Secretary in consultation with the management and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. All the statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of Shareholders. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable.

The attendance of each Director at these Meetings and at the 41st Annual General Meeting ("AGM") held on September 24, 2021 was as follows:

| Directors | No. of Board Meetings held | Attendance | |
|--------------------------------------|----------------------------|--------------------------------|-----|
| | | No. of Board Meetings attended | AGM |
| Mrs. Aruna Oswal | 5 | 4 | Yes |
| Mr. Anil Kumar Bhalla | 5 | 5 | Yes |
| Mr. Bhola Nath Gupta | 5 | 4 | Yes |
| Mr. Mohinder Pal Singh | 5 | 4 | Yes |
| Mr. Pulkit Gupta | 5 | 4 | No |
| Mr. Dhiraj Gupta (w.e.f. 13.08.2021) | 4 | 4 | Yes |

(v) Details of remuneration and sitting fees paid to Directors during financial year 2021-22:

| S. No. | Name of Director | Amount (in Rs. Lakhs) | |
|--------|------------------------|-----------------------|-------------|
| | | Remuneration | Sitting Fee |
| 1 | Mrs. Aruna Oswal | - | - |
| 2 | Mr. Anil Kumar Bhalla | - | - |
| 3 | Mr. Bhola Nath Gupta^ | 33.10 | - |
| 4 | Mr. Mohinder Pal Singh | - | 1.50 |
| 5 | Mr. Dhiraj Gupta | - | 1.05 |
| 6 | Mr. Pulkit Gupta | - | 1.95 |

^sitting fee not payable to Wholetime Director and/ or Non-Independent Director.

No commission was paid to the Directors during financial year 2021-22.

Apart from the above, no other pecuniary relationships (including stock options) or transactions vis-a-vis the Company existed with any Director during the Financial Year 2021-22.

Mr. Bhola Nath Gupta :

- i) Salary: Rs. 26.14 lakhs
- ii) Provident Fund: Rs. 2.10 lakhs
- iii) Allowances/ perquisites: Rs. 4.86 lakhs

The Board of Directors has approved the re-appointment of Mr. Bhola Nath Gupta as the Wholetime Director & CEO of the Company for a further period of 3 years w.e.f. October 1, 2019 and the same was also approved by the shareholders at the 39th Annual General Meeting of the company held on September 25, 2019.

***Notice Period:** 3 months

*** Severance Fees:** The services of Wholetime Director and Managing Director & CEO may be terminated by either party at any time after giving a written notice of 3 months to the other party.

***Stock Options:** None

(vi) **Code of conduct**

The Company has a Code of Conduct applicable to all Board Members and Senior Management Staff for avoidance of conflict of interest between each of these individuals and the Company. Each Board Member and Senior Management staff has declared compliance with the Code of Conduct as at March 31, 2022. There were no materially significant transactions during the Financial Year with Board Members and Senior Management, including their relatives that had or could have had a potential conflict of interest with the Company.

The Code of Conduct is available on the website of the Company.

3. AUDIT COMMITTEE

(a) **Brief description of terms of reference:**

The Company has an Audit Committee and the terms of reference are in conformity with the powers as stipulated in Regulation 18 of SEBI Listing Regulations and section 177 of the Companies Act, 2013.

The statutory auditors and internal auditors of the Company are regular invitees at the Audit Committee meetings. The Audit Committee holds discussions with the statutory auditors of the Company on the Limited Review of the quarterly, half-yearly or nine months financial results, the yearly audit plan, matters relating to the compliance of accounting standards, their observations arising from annual audit of the Company's accounts and other related matters.

(b) Composition of Audit Committee as on March 31, 2022

As at March 31, 2022, the Audit Committee comprises 4 Directors, out of whom majority are Non-executive Independent Directors. The members of Audit Committee are:

1. Mr. Mohinder Pal Singh : Non-executive & Independent Director
(Chairman of committee)
2. Mr. Pulkit Gupta* : Non-executive & Independent Director
3. Dr. Aruna Oswal : Non-executive Director
4. Mr. Dhiraj Gupta (w.e.f 13.08.2021) : Non-executive & Independent Director

All members of the Audit Committee have good exposure to finance as well as general management.

*Mr. Pulkit Gupta has ceased to be member of the Audit Committee on account of his resignation from the Board of the Company wef June 28, 2022. Subsequently, the Board of Directors at its meeting held on July 6, 2022 has appointed Mr. Himanshu Agarwal as Independent Director of the Company wef July 6, 2022. Mr. Agarwal has joined the Audit Committee in place of Mr. Pulkit Gupta.

(c) Meetings and attendance

The audit committee met 4 (four) times in the financial year 2021-22:

| Date of meeting | Total strength | No. of Directors present |
|-------------------|----------------|--------------------------|
| June 25, 2021 | 3 | 3 |
| August 13, 2021 | 3 | 2 |
| November 11, 2021 | 4 | 4 |
| February 11, 2022 | 4 | 3 |

The necessary quorum was present at the meetings. The Company Secretary of the Company acts as Secretary to the Committee. Mr. Mohinder Pal Singh, Chairman of the Committee was present at the Annual General Meeting (AGM) of the Company held on September 24, 2021 to answer member's queries.

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Composition of committee of the Nomination & Remuneration Committee as on March 31, 2022:

The Nomination & Remuneration Committee comprises 4 Directors, all of whom are Non-executive Directors. The members of Nomination & Remuneration Committee are:

1. Mr. Mohinder Pal Singh : Non-executive & Independent Director
(Chairman of Committee)
2. Mr. Pulkit Gupta* : Non-executive & Independent Director
3. Dr. Aruna Oswal : Non-executive Director
4. Mr. Dhiraj Gupta : Non-Executive & Independent Director

*Mr. Pulkit Gupta has ceased to be member of the Audit Committee on account of his resignation from the Board of the Company wef June 28, 2022. Subsequently, the Board of Directors at its meeting held on July 6, 2022 has appointed Mr. Himanshu Agarwal as Independent Director of the Company wef July 6, 2022. Mr. Agarwal has joined the Nomination and Remuneration Committee in place of Mr. Pulkit Gupta.

(d) Meetings and attendance

The nomination & remuneration committee met 2 (two) times in the financial year 2021-22:

| Date of meeting | Total strength | No. of Directors present |
|-------------------|----------------|--------------------------|
| August 12, 2021 | 4 | 3 |
| November 10, 2021 | 4 | 3 |

- (i) The necessary quorum as per regulation 19A of the listing regulations, 2015 was present at the meetings.
- (ii) The Chairman of the committee Mr. Mohinder Pal Singh was present at the 41st Annual General Meeting of the Company held on September 24, 2021 to answer the members' queries;
- (iii) The Company Secretary of the Company was in attendance at the meeting of the nomination & remuneration committee.

(e) Nomination & Remuneration Policy

The Committee has formulated Policy which was approved by the Board for implementation and the same is available on the website of the Company at www.oswalagromills.com.

The performance of individual Board Members including Independent Directors was subject to peer evaluation during the Financial Year.

5. STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Company has a stakeholder's relationship committee and the terms of reference of stakeholder's relationship committee are in conformity with the provisions of regulation 20 read with Schedule II Part D of SEBI Listing Regulations, 2015 and section 178 of the Companies Act, 2013.

(a) Brief description of terms of reference

The role of the committee includes dealing with the complaints of investors of the Company regarding non-receipt of dividend, non-receipt of annual reports, issue of duplicate certificates, transmission of shares, investigate into complaints filed by investors, review of measures for effective exercise of shareholders' voting rights, appointment of registrar & share transfer agent, review of performance of RTA etc.

(b) Composition of the stakeholders relationship committee as on March 31, 2022

The Stakeholders relationship Committee comprises 3 Directors, out of who are 2 Non-executive Independent Directors. The members of Stakeholders Relationship Committee are:

- | | | |
|--------------------------|---|--|
| 1. Mr. Anil Kumar Bhalla | : | Non-executive Director & Chairman of Committee |
| 2. Mr. Pulkit Gupta* | : | Independent Director |
| 3. Mr. Bhola Nath Gupta | : | Executive Director |

*Mr. Pulkit Gupta has ceased to be member of the Audit Committee on account of his resignation from the Board of the Company wef June 28, 2022. Subsequently, the Board of Directors at its meeting held on July 6, 2022 has appointed Mr. Himanshu Agarwal as Independent Director of the Company wef July 6, 2022. Mr. Agarwal has joined the Stakeholder's Relationship Committee in place of Mr. Pulkit Gupta.

The Company Secretary of the Company acts as the Secretary to the Committee and is the Compliance Officer of the Company under regulation 6 of SEBI Listing Regulations.

(c) Meetings and attendance:

The stakeholder's relationship committee met on the following dates during the financial year 2021-22:

| Date of meeting | Total strength | No. of Directors present |
|-------------------|----------------|--------------------------|
| June 24, 2021 | 3 | 3 |
| August 25, 2021 | 3 | 2 |
| November 17, 2021 | 3 | 2 |
| December 23, 2021 | 3 | 2 |
| January 10, 2022 | 3 | 2 |
| March 09, 2022 | 3 | 2 |

(d) Details of investors complaints received and redressed by the Company during the financial year 2021-22 are as follows:

| Complaints at the beginning of the year | Received during the year | Resolved during the year | Complaints at the end of the year |
|---|--------------------------|--------------------------|-----------------------------------|
| 0 | 15 | 15 | 0 |

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(a) Terms of reference of Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee and the terms of reference are in conformity with the provisions of Section 135 read with Schedule VII of the Act and the Rules framed thereunder. The CSR Committee monitors the implementation of CSR projects or programmes undertaken by the Company.

The role of the committee inter-alia includes the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities referred to in the above point.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

(b) Composition of Corporate Social Responsibility Committee as on March 31, 2022:

- | | | |
|--------------------------|---|---|
| 1. Dr. Aruna Oswal | : | Chairperson of Committee & Non-Executive Director |
| 2. Mr. Pulkit Gupta* | : | Non-executive & Independent Director |
| 3. Mr. Anil Kumar Bhalla | : | Non-Executive Director |

*Mr. Pulkit Gupta has ceased to be member of the Audit Committee on account of his resignation from the Board of the Company wef June 28, 2022. Subsequently, the Board of Directors at its meeting held on July 6, 2022 has appointed Mr. Himanshu Agarwal as Independent Director of the Company wef July 6, 2022. Mr. Agarwal has joined the Corporate Social Responsibility Committee in place of Mr. Pulkit Gupta.

(c) Meetings and attendance:

| Date of meeting | Total strength | No. of Directors present |
|-------------------|----------------|--------------------------|
| June 25, 2021 | 3 | 3 |
| February 11, 2022 | 3 | 2 |

- (i) The Corporate Social Responsibility Policy of the Company is posted on the website of the Company at www.oswalgreens.com.
- (ii) The CSR Report for the financial year 2021-22 has been enclosed herewith as **Annexure D** to this annual report.

7. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As per stipulations in Section VII of the Code for Independent Directors in Schedule IV of the Act and Regulation 25 of the SEBI LODR Regulations, a separate Meeting of the Company's Independent Directors was held on 10th November 2021.

All Independent Directors have furnished to the Company the requisite declarations that they meet the relevant independence criteria as laid down in Section 149(6) of the Act read with Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and Regulation 16 (b) of LODR Regulations.

8. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The framework for familiarisation of Independent Directors along with details of familiarisation programmes held during the year may be accessed on the website of the Company at www.oswalagromills.com.

9. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

An annual evaluation exercise was carried out by the Board during the year encompassing its own performance, those of its Committees as well as individual Board Members.

The exercise continued to recognise that while Board Members were individuals, the Board or a Committee of the Board was a collective body. It was this collective body that took decisions even though individuals, constituting the collective body, had the right to dissent. Thus, what was put on test in the evaluation exercise this year was, amongst other issues, the extent of perspicacity of each Member, whether sitting as part of the Board or any Committee, to meaningfully contribute to the formulation of Board decisions.

The process was thus intricate and the conclusion arrived at was that each Board Member had harmoniously contributed to complement the role of the collective entity. This had made for the Board's as well as each Committee's functioning efficacious during the year.

10. COMPLIANCE OFFICER

Under regulation 6 of SEBI Listing Regulations and other applicable SEBI regulations and rules, Mr. Gopal, Company Secretary acted as the compliance officer of the Company upto 15.11.2021 and Ms. Anjali Aggarwal, Company Secretary was appointed as the Compliance Officer by the Board of Directors w.e.f. 16.11.2021.

11. GENERAL BODY MEETINGS

- (a) Location and time where last three annual general meetings were held:

| Year | Location | Date & Time | Special resolutions passed |
|---------|---|----------------------------------|--|
| 2018-19 | Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab) | September 25, 2019 at 12.00 Noon | 1. Appointment of Mrs. Shikha Jain (DIN 02615074) as a Non-executive Independent Director of the Company for a 2nd consecutive term of 5 years. 2. Appointment of Shri Bhola Nath Gupta as CEO & Wholetime Director of the Company. 3. Approval for maintaining register of member, annual returns and related books at a place other than the registered office of the Company. |
| 2019-20 | Through Video conferencing and other audio visual means in pursuance of circulars issued by the Ministry of Corporate Affairs and SEBI. | September 28, 2020 At 12:00 Noon | 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. |
| 2020-21 | Through Video conferencing and other audio visual means in pursuance of circulars issued by the Ministry of Corporate Affairs and SEBI. | September 24, 2021 At 12:30 p.m. | None |

- (b) **Details of special resolutions passed last year through Postal Ballot:**

During the year under review, neither any Special Resolution was passed through Postal Ballot last year nor any special resolution proposed to be passed through Postal Ballot as on the date of this report.

12. MEANS OF COMMUNICATION

- (a) The quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and taken on record by the Board are sent to/ filed with the Stock Exchanges where the Company's Shares are listed and then published in various leading national newspapers, viz. Financial Express/ Business Standard (English – all editions) and Ajit (Ludhiana). The Results are also posted on the Company's website at www.oswalagromills.com. The Company has not made any presentation to institutional investors or analysts. All official releases and other related information are also displayed on this website.
- (b) Whenever the Company issues any press release, it is immediately sent to the Stock Exchanges as well as posted on the Company's website.

13. OTHER DISCLOSURES:

- (a) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

The Audit Committee accords omnibus approval to Related Party Transactions which are foreseen and repetitive in nature. Thereafter, the Audit Committee reviews the details of the Related Party Transaction entered pursuant to the aforementioned omnibus approval.

During the year the Company has not entered into any material related party transaction. Therefore, approval of the shareholders was not required to be taken as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the existing and proposed transactions with related parties are in the ordinary course of business and on arm's length basis. The transactions with the related parties, namely its promoters, and subsidiary company etc., of routine nature have been reported elsewhere in the annual report, as per the applicable Accounting Standards. The RPT policy as approved by the Board of Directors is available on the website of the company viz., www.oswalagromills.com.

- (b) **Disclosures on compliance of law:**

The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

- (c) **Vigil Mechanism/Whistle blower policy:**

The Company has a Whistle Blower Policy/ Vigil Mechanism which is posted on the website of the Company at www.oswalagromills.com for its Directors and Employees to report their concerns about the Company's working or about any violation of its policies. The vigil mechanism provides for adequate safeguards against victimization of Director (s) or Employee (s) or any other person who avail the mechanism and also provide direct access to the Chairperson of the Audit Committee. No personnel have been denied any access to the Audit Committee.

Besides, as per the requirement of Clause 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations as amended, our Company ensures to make employees aware of such Whistle- Blower Policy to report instances of leak of unpublished price sensitive information.

- (d) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements**

The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2021-22. 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.

- (e) The policy for determining material subsidiaries is available on the Company's website at www.oswalagromills.com.

- (f) The policy for dealing on related party transactions is available at Company's website at www.oswalagromills.com.

- (g) **Utilization of funds raised through preferential allotment or qualified institutions placement**

No funds were raised by the Company through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

- (h) **Certificate from Company Secretary in practice:**

The Company has obtained a Certificate from a Company Secretary in practice dated August 29, 2022 stating 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 Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such statutory authority.

- (i) **Acceptance of recommendation of any Committee**

All the recommendations made by any Committee of the Board during the financial year 2021-22 have been duly accepted and taken on record by the Board of Directors of the Company.

(j) Fees paid to the Statutory Auditor

The total fees towards audit fee to the statutory auditors during the financial year 2021-22 paid by the Company to the statutory auditors and to all entities in the network firm / network entity in which the statutory auditor is a part for the financial year 2021-22 is Rs. 6,21,690 (including GST).

(k) Disclosure under the Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company has in place an Anti-sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment. The status of complaints is as given below:

| No. of complaints filed during the financial year | No. of complaints disposed off during the financial year | No. of complaints pending as on the end of the financial year |
|---|--|---|
| NIL | NIL | NIL |

(l) Certificate from CEO & CFO

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 May 30, 2022.

14. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting (Date, time & venue)

Date: September 28, 2022

Time: 03.00 P.M. (IST)

Venue: Meeting is being conducted through VC/OAVM pursuant to the MCA circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021. For this purpose, the registered office of the Company located at Ludhiana, Punjab shall be deemed venue for the 42nd Annual General Meeting.

(b) Financial calendar

| | |
|---|---|
| Annual General Meeting | September 28, 2022 |
| Unaudited results for the quarter ending June 30, 2022 | Within 45/60 days from the end of the reporting quarter |
| Unaudited results for the quarter ending Sept. 30, 2022 | |
| Unaudited results for the quarter ending Dec 31, 2022 | |
| Audited results for the quarter ending March 31, 2023 | |
| Date of book closure | September 22, 2022 to September 28, 2022 |

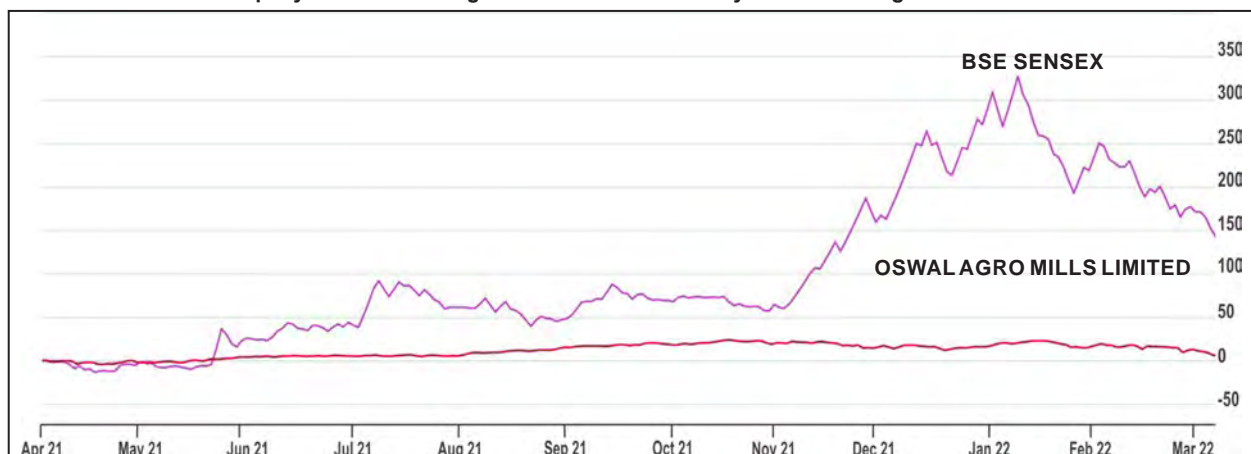
(c) Listing at Stock Exchanges

The Company's securities are listed on:

| Name of Stock Exchanges | Scrip Code |
|--|------------|
| Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400 001 (Maharashtra) | 500317 |
| The National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051, Maharashtra | OSWALAGRO |
| The Company has paid annual listing fees to the BSE Ltd and the National Stock Exchange of India Ltd. for the financial year 2022-23. | |

(d) Market Price Data

| April 1, 2021 to March 31, 2022 | NSE Ltd., Mumbai | | BSE Ltd., Mumbai | |
|---------------------------------|------------------|-------|------------------|-------|
| MONTH WISE DATA | HIGH | LOW | HIGH | LOW |
| April 2021 | 10.50 | 8.20 | 10.46 | 8.35 |
| May 2021 | 15.20 | 8.65 | 15.13 | 8.78 |
| June 2021 | 15.25 | 11.70 | 15.40 | 11.70 |
| July 2021 | 20.00 | 13.90 | 19.95 | 13.80 |
| August 2021 | 17.70 | 13.45 | 17.65 | 13.50 |
| September 2021 | 19.55 | 14.50 | 19.45 | 14.55 |
| October 2021 | 18.25 | 15.50 | 18.30 | 15.60 |
| November 2021 | 30.55 | 15.85 | 30.45 | 15.80 |
| December 2021 | 40.25 | 25.05 | 40.15 | 25.05 |
| January 2022 | 45.50 | 29.05 | 45.30 | 29.00 |
| February 2022 | 37.30 | 26.00 | 36.90 | 26.30 |
| March 2022 | 31.05 | 24.50 | 31.00 | 24.40 |

(e) Performance of the Company's shares relating to the BSE Index for the year 2021-22 is given below:

(f) Performance of the Company's shares relating to the NSE Index for the year 2021-22 is given below:

(g) Registrar and share transfer agents:

Skyline Financial Services Private Limited
D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi –110020
Phone No(s). +91-11-40450193-97
E-mail: compliances@skylinerta.com; grievances@skylinerta.com
Website: www.skylinerta.com

(h) Distribution of shareholding:

| Range (in shares) | | No. of shareholder | % to total shareholders | No. of shares | % to total capital |
|-------------------|-----------|--------------------|-------------------------|---------------|--------------------|
| From | To | | | | |
| 0 | 500 | 184133 | 93.88 | 20468028 | 15.25 |
| 501 | 1000 | 7185 | 3.66 | 5315466 | 3.96 |
| 1001 | 2000 | 2704 | 1.38 | 3870153 | 2.88 |
| 2001 | 3000 | 745 | 0.38 | 1872902 | 1.40 |
| 3001 | 4000 | 353 | 0.18 | 1247745 | 0.93 |
| 4001 | 5000 | 226 | 0.12 | 1058825 | 0.79 |
| 5001 | 10000 | 378 | 0.19 | 2731089 | 2.03 |
| 10001 | and above | 418 | 0.21 | 97670568 | 72.76 |

(i) Category of shareholders as on March 31, 2022:

| S. No. | Category | No. of shares held | % |
|----------|---|---------------------|---------------|
| 1 | Shareholding of promoter & promoter group | 5,60,33,682 | 41.74 |
| 2 | Public shareholding | | |
| A | Institutions | | |
| (a) | Mutual Funds | 15,200 | 0.01 |
| (b) | Financial Institutions/ Banks | 1,26,440 | 0.09 |
| (c) | Others | 4,95,880 | 0.37 |
| | Sub-total (A) | 6,37,520 | 0.47 |
| B | Non-institutions | | |
| (a) | Bodies Corporates | 2,47,78,556 | 18.46 |
| (b) | Individuals | 4,76,45,060 | 35.49 |
| (c) | NBFC's | 2,20,852 | 0.16 |
| (d) | NRIs | 9,72,300 | 0.72 |
| (e) | Foreign Companies | 110900 | 0.08 |
| (f) | Others | 3835640 | 2.88 |
| | Sub-total (B) | 7,75,63,308 | 57.79 |
| | GRAND TOTAL | 13,42,34,510 | 100.00 |

(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 82.40% of the Equity shares (11,06,17,434 equity shares) of the company have been dematerialized up to March 31, 2022. The ISIN No is NE-142A01012 for both NSDL and CDSL.

(k) 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.

(l) Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity: NIL

(m) Transfer of unclaimed/unpaid amounts of dividend to Investor Education and Protection Fund: NIL

(n) 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.

(o) Plant locations: There were no plants being run by the Company as on March 31, 2022.

(p) 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. +91-161-2544238

Corporate Office:

Oswal Agro Mills Limited
7th Floor, Antriksh Bhawan, 22, K.G. Marg, New Delhi-110001
Phone No. +91-11-23715242
Website: www.oswalagromills.com, Email ID: oswal@oswalagromills.com

For and on behalf of Board
Oswal Agro Mills Limited

Dr. Aruna Oswal
Chairperson
DIN : 00988524

Date : August 29, 2022
Place : New Delhi

CERTIFICATE BY CEO OF THE COMPANY UNDER CORPORATE GOVERNANCE REPORT

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 2021-22.

Place : New Delhi

Date : August 29, 2022

Bhola Nath Gupta

CEO & Wholetime Director

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To

The Members

Oswal Agro Mills Limited

Near Jain Colony,

Vijay Inder Nagar, Daba Road,

Ludhiana, Punjab-141003

We have examined the compliance of conditions of Corporate Governance by Oswal Agro Mills Limited ('the Company') for the year ended on 31st March, 2022, 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, 2022.

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

Shivam Garg

Partner

Membership No. - F11497

Certificate of Practice No.- 16406

Firm Registration No. P2014DE054100

Peer review certificate No.-2090/2022

UDIN- F011497D000861588

Date : August 29, 2022

Place : New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

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

We have examined the relevant registers, records, forms, returns and declarations/written representations received from the Directors of Oswal Agro Mills Limited (hereinafter referred to as 'the Company'), produced before us by the Company for the year ended 31st March, 2022 for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 2022.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of 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

Shivam Garg
Partner

Membership No. - F11497
Certificate of Practice No.- 16406
Firm Registration No. P2014DE054100
Peer review certificate No.-2090/2022
UDIN- F011497D000861610

Date : August 29, 2022
Place : New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Indian Economy Overview

The last two years the country's economy has seen turbulence and uncertainty in terms of COVID – 19. Economic activity which was recovering with the ebbing of the third wave, rapid stride towards universal vaccination, and supportive fiscal and monetary policies now faces significant headwinds from the exacerbating geopolitical developments and the accompanying sharp rise in global commodity prices and weakening global growth outlook. The global recovery from the COVID-19 pandemic is turning out to be muted relative to earlier expectations. Downside risks to even this subdued recovery have jumped significantly from the escalation of geopolitical tensions, which have led to a broad-based increase in global commodity prices and are expected to have a large negative impact on global trade and growth. Growth and inflation outcomes are at high risk across the world as well as in India. In the face of this extraordinary risk, the positive effects expected from the release of pent-up demand, especially for contact-intensive services, the government's thrust on infrastructure and capital expenditure, congenial financial conditions and improving capacity utilisation appear ephemeral.

Performance overview

During the year 2021-22, the Company's growth was satisfactory considering the challenges posed on account of COVID-19 pandemic and its impact on the overall trading and real estate industry. The Company always adhere to achieve best in the industry and try to optimise the cost and its efficiency level which translates into increasing the profit margins for the Company. Despite the subdued performance of overall trading and real estate sector, your Company earned a profit after tax of Rs. 2.70 crores as against a profit of Rs. 5.4 crores in the previous year.

The Company's performance overview during the financial year 2021-22 is shown below:

(₹ in lakhs)

| PARTICULARS | Consolidated | | Standalone | |
|--|--------------|----------|------------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenue from Operations | 1102.13 | 2,926.69 | 1102.13 | 2,926.69 |
| Other Income | 1265.63 | 2,224.49 | 1265.63 | 2,224.49 |
| Total Revenue | 2367.76 | 5,151.18 | 2367.76 | 5,151.18 |
| Expenses | 2044.60 | 4,042.32 | 2044.60 | 4,042.32 |
| Profit before tax | 323.16 | 1,108.86 | 323.16 | 1,108.86 |
| Tax expenses | | | | |
| (i) Current tax | 92.31 | 588.40 | 92.31 | 588.40 |
| (ii) Deferred tax | (39.69) | (19.85) | (39.69) | (19.85) |
| Profit for the year after tax | 270.54 | 540.32 | 270.54 | 540.32 |
| Share of net profit of associate (net) | 1638.79 | 1779.78 | - | - |
| Profit for the year after tax after considering share of net profit of associate (net) | 1909.33 | 2320.10 | 270.54 | - |

Business

During the year 2021-22, the Company has dealt in trading of commodities, and has also generated income from interest on inter-corporate deposits, trading in mutual funds and other miscellaneous incomes. Further, the Company has been carrying on the real estate and other non-financial activities since its inception.

Overview of segment wise performance

During the year ended March 31, 2022, 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 under note no. 39 of notes to accounts forming part of the annual report.

Opportunities

The Company is exploring new opportunities for diversification into other sectors through new investments and also exploring 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 2022-23.

Challenges

While the management of your Company is confident of creating and exploiting the opportunities, it finds the following challenges:

- Economic downturn or slowdown in the key markets can lead to decreased sales volumes;
- The continuing lockdown situation due to COVID-19 pandemic in many parts where the Company operated can have a significant impact on the business of the Company;

Risks & concerns

The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, including inter alia, market risk, competition risk, human resource risk, execution risk and significant downturn in the economic cycle. It is endeavour of the management that the profitability of the Company is insulated to the extent possible from all the above risks by taking appropriate steps for mitigating the risks in a proper manner.

Human resources

Human Resources continue to be the cornerstone around which the Company functions. The Company engages with the people who work for it on a proactive basis so as to transform the environment from a “place of work” to a ‘place to work’. The Company believes that such approach has assisted it enormously in promoting harmony and a sense of belonging amongst those working for it thereby seeking to enhance their work life balance. The gradual evolution of this perception constitutes, according to the Company, a defining sign of sustained employee commitment to its well-being. Industrial relations remained cordial during the year.

Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business, size and complexity of its operations are in place and have been operating satisfactorily.

Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations. Internal control systems are designed to ensure that all assets and resources are acquired economically, used efficiently and adequately protected.

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 after tax of Rs. 2.70 Crores as against a profit after tax of Rs. 5.4 Crores in the previous year.

The company revenue from operations comprises of revenue from trading activities of Rs. 11.02 crores for financial year 2021-22. Furthermore, the company is actively trading in commodities in financial year 2022-23.

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 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.

Key financial ratios

A comparative table showing synopsis of financial year 2021-22 vs. 2020-21 of Key Financial Ratios is provided below:

| Ratio | 2021-22 | 2020-21 | Remarks |
|---------------------------|---------|---------|--|
| Inventory Turnover Ratio | 0.17 | 0.45 | Due to decrease in sales |
| Current Ratio | 71.81 | 27.27 | On account of increase in cash & cash equivalents and decrease in trade payables |
| Operating Profit Margin | 0.14 | 0.22 | On account of decrease in revenue |
| Net Profit Margin | 0.10 | 0.11 | On account of decrease in revenue |
| Return on net worth ratio | 0.56% | 1.88% | On account of decrease in revenue |
| Debtor turnover ratio | 0.29 | 3.35 | Due to substantial decrease in credit sales |
| Interest coverage ratio | NA | NA | No interest cost on debt in the company |
| Debt equity ratio | NA | NA | No debt in the company |

Risk Management

The Board takes responsibility for the total process of risk management in the organization. The Company follows well- established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board.

The Company takes a very structured approach to the identification and quantification of each risk and has a comprehensive Board approved risk management policy. The scope of the Audit Committee includes review of the Company's financial and risk management policies. The Audit Committee reviews the Audit reports covering operational, financial and other business risk areas.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing your Company's objectives, projections, estimates and expectations may be interpreted as “forward-looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to Company's operations include economic conditions affecting demand/ supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes.

INDEPENDENT AUDITOR'S REPORT

To the Members of Oswal Agro Mills Limited

Report on the Audit of the Standalone Financial Statements

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 2022, 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, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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 opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 46(iv) of the financial statements, which describes the non applicability of NBFC as for the financial years ended 31-3-21 and 31-3-22, company is not meeting the 50:50 test for determining financial activity as a principal business and is not covered under the definition of NBFC.

Our opinion is not modified in respect of this matter.

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 our 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 standalone 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 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.

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

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

In preparing the standalone 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.

The Board of Directors are 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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, 2020 ("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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including 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) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has neither declared nor paid any dividend during the year, therefore reporting under rule 11 (f) is not applicable.

For Agarwal & Dhandhanian
Chartered Accountants
Firm's Registration No. 125756W

CA Alok Dhandhanian
(Partner)
Membership No. 111062
Place of Signature : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXDUW1009

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, 2022, we report that:

(i) **In respect of the Company's Property, Plant and Equipment and Intangible Assets:**

- (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Investment Properties and relevant details of Right-of-Use assets covered under Ind AS 116, 'Leases'.
- (B) The company does not have any intangible assets so clause 3 (i)(a)(B) of the Order is not applicable to the company.
- (b) The Property, Plant and Equipment and Investment Properties have been physically verified by the management at reasonable intervals 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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the company subject to the following limitations:

| Particulars of the Immovable Property | Gross carrying amount as at 31 st March, 2022 (₹ in thousand) | Net carrying amount as at 31 st March, 2022 (₹ in thousand) | Remarks |
|---|---|---|--|
| 1) Building at Vijay Vihar, Chembur, Mumbai | 560.89 | 459.85 | Photocopy of the original title deeds was provided. |
| 2) Freehold Land at Ludhiana, Punjab | 3,088.24 | 3,088.24 | Title deed is not available with the Company. However, the same has been verified from Tehsildar's record, duly certified. |

- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) **In respect of the company's inventory:**

- (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of accounts.
- (b) According to the information and explanations given to us, the company has not been sanctioned any working capital limits from bank or financial institutions, therefore clause 3 (ii)(b) of the Order is not applicable to the company.

(iii) **In respect of investments made, provided any guarantee or security or granted any loans or advances in the nature of loan:**

- (a) (A) According to the information and explanation given to us, the Company has not provided any loans or advances in the nature of loans, secured or unsecured and guarantee or security to subsidiaries, joint ventures and associates.
- (B) According to the information and explanation given to us, the Company has granted loans or advances in the nature of loans unsecured to parties other than subsidiaries, joint ventures and associates, the details of which are given below:

| | Loans (in ₹ thousand) |
|--|-----------------------|
| Aggregate amount granted/provided during the year | |
| -To other parties | |
| >Staff Loan | 419.20 |
| Balance Outstanding as at balance sheet date | |
| -To other parties | |
| >Staff Loan | 373.30 |
| >ICD Parties | 3,79,000.00 |

- (b) In our opinion, investments made and the terms and conditions of the grant of all loans and advances in the nature of loans provided, are, prima facie, not prejudicial to the Company's interest. As per the policy of the company, interest free staff loans have been provided.
- (c) In our opinion, in respect of loans and advances in the nature of loans, the schedule of repayment of principal has been stipulated and the repayments or receipts are regular.
- (d) In our opinion, in respect of above loan no amount is overdue.

- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) **Compliance of section 185 and 186**
According to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments made, guarantee and securities provided, as applicable.
- (v) **Public Deposits**
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. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) **Cost Records**
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, clause 3(vi) of the Order is not applicable.
- (vii) **Statutory Dues**
(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 Goods and Service Tax, 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 2022 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 | 999.97 | 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 statutory dues referred in sub-clause (a) above, 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 | Disputed Amount (Excluding amount paid under protest, if any) (₹ in thousand) | Deposited under protest (₹ 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 | 474.25 | 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 | 6,325.91 | - | Rectification pending before assessing officer |

- (viii) **Undisclosed Income**
According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) **Borrowings**
According to the information and explanations given to us and the records examined by us, the company has no loans or borrowings from banks, financial institutions, government and others. Accordingly, clause 3(ix) (a) to (f) of the Order is not applicable.
- (x) **Issue of securities**
(a) 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, clause 3(x)(a) of the Order is not applicable.
(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) **Fraud**

- (a) To the best of our knowledge, and information and explanations given by the management, we report that, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 (as prescribed) under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) **Nidhi Company**

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) **Related Parties**

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) **Internal Audit**

- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2022.

(xv) **Non- cash transactions**

In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

(xvi) **Section 45-IA of the Reserve Bank of India Act, 1934**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 in view of the following fact:

For the financial years ended 31-3-21 and 31-3-22, company is not meeting the 50:50 test for determining financial activity as a principal business and is not covered under the definition of NBFC. Moreover, all the directions and compliances of Reserve Bank of India in relation to seek exemption and disclosure requirements as applicable to a NBFC for financial years ended 31-3-19 and 31-3-20 had been duly complied with.

Further the income from non-financial activities for the FY 21-22 has exceeded 50% of the gross income and it is now not required to get registration as a NBFC on the basis of financial statement as on 31.03.2022. Accordingly, the financial statements and the disclosures for FY 2021-22 have been prepared in accordance with Division II of Schedule III to the Companies Act, 2013 applicable to non-NBFCs.

Accordingly, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.

(xvii) **Cash Losses**

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

(xviii) **Resignation of Statutory Auditors**

There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause (xviii) of the Order is not applicable.

(xix) **Ability to pay liabilities**

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) **CSR unspent amount**

The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

For Agarwal & Dhandhaniah

Chartered Accountants

Firm's Registration No. 125756W

CA Alok Dhandhaniah

(Partner)

Membership No. 111062

Place of Signature : New Delhi

Date : 30.05.2022

UDIN : 22111062AJXDUW1009

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, 2022

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, 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls 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, 2022, 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 & Dhandhan**

Chartered Accountants

Firm's Registration No. 125756W

CA Alok Dhandhan

(Partner)

Membership No. 111062

Place of Signature : New Delhi

Date : 30.05.2022

UDIN : 22111062AJXDUW1009

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022

(₹ in thousand)

| Particulars | Note No. | As at 31.03.2022 | As at 31.03.2021 |
|--|----------|---------------------|---------------------|
| I. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant and Equipment | 3 | 46,438.41 | 48,177.76 |
| (b) Investment Property | 4 | 23,257.21 | 23,625.35 |
| (c) Right-of-use assets | 36 | 2,867.03 | 2,236.32 |
| (d) Investment in associate | 5 | 2,375,808.28 | 2,375,808.28 |
| (e) Financial Assets | | | |
| (i) Investments | 6 | 129,629.96 | 129,629.96 |
| (ii) Loans | 7 | 111.62 | 777,651.70 |
| (iii) Other financial assets | 8 | 1,007.30 | 1,007.30 |
| (f) Deferred Tax Assets (net) | 9 | 59,490.37 | 55,520.78 |
| (g) Income Tax Assets (net) | | 14,666.58 | 16,667.47 |
| (h) Other non-current assets | 10 | 6,649.46 | 7,867.34 |
| | | 2,659,926.22 | 3,438,192.26 |
| (2) Current assets | | | |
| (a) Inventories | 11 | 648,885.17 | 648,885.17 |
| (b) Financial Assets | | | |
| (i) Investments | 12 | 20,794.70 | 34,929.70 |
| (ii) Trade Receivables | 13 | 2,408.38 | 203,395.55 |
| (iii) Cash and cash equivalents | 14 | 1,874,117.83 | 11,308.08 |
| (iv) Bank Balances other than cash and cash equivalents | 15 | - | 973,000.00 |
| (v) Loans | 16 | 379,261.68 | 271,900.11 |
| (vi) Other financial assets | 17 | 89,827.16 | 62,172.50 |
| (c) Other current assets | 18 | 325,725.52 | 377,116.75 |
| | | 3,341,020.44 | 2,582,707.86 |
| Total Assets | | 6,000,946.66 | 6,020,900.12 |
| II. EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share capital | 19 | 1,342,347.76 | 1,342,347.76 |
| (b) Other equity | 20 | 4,606,377.73 | 4,580,545.84 |
| | | 5,948,725.49 | 5,922,893.60 |
| Liabilities | | | |
| (2) Non-current liabilities | | | |
| (a) Lease liabilities | 36 | 2,081.81 | 1,290.30 |
| (b) Provisions | 21 | 3,615.32 | 2,011.95 |
| | | 5,697.13 | 3,302.25 |
| (3) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Trade Payable | 22 | - | - |
| Total outstanding dues of micro enterprises and small enterprises | | - | 26,676.18 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 23 | 3,026.30 | 2,519.51 |
| (ii) Other financial liabilities | 36 | 1,092.96 | 2,416.74 |
| (b) Lease liabilities | 36 | 1,092.96 | 2,416.74 |
| (c) Other current liabilities | 24 | 33,812.74 | 55,652.42 |
| (d) Provisions | 25 | 8,592.04 | 7,439.42 |
| | | 46,524.04 | 94,704.27 |
| Total Equity and Liabilities | | 6,000,946.66 | 6,020,900.12 |
| III. 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)

Alok Dhandhanian
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXDUW1009

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(₹ in thousand)

| Particulars | Note No. | Year Ended 31.03.2022 | Year Ended 31.03.2021 |
|---|----------|--------------------------|--------------------------|
| I Revenue from operations | 26 | 110,213.47 | 292,668.95 |
| II Other income | 27 | 126,562.95 | 222,448.69 |
| III Total Income (I+II) | | 236,776.42 | 515,117.64 |
| IV Expenses: | | | |
| Purchases of stock-in-trade | 28 | 109,129.56 | 289,674.19 |
| Employee benefits expense | 29 | 23,581.09 | 20,213.92 |
| Finance costs | 30 | 957.96 | 816.07 |
| Depreciation and amortisation expense | 31 | 3,623.26 | 3,638.65 |
| Other expenses | 32 | 67,168.70 | 89,888.99 |
| Total expenses (IV) | | 204,460.57 | 404,231.82 |
| V Profit before tax (III-IV) | | 32,315.85 | 110,885.82 |
| VI Tax expense: | 33 | | |
| - Current tax | | 9,231.34 | 58,839.58 |
| - Deferred tax | | (3,969.59) | (1,985.40) |
| VII Profit/(loss) for the year after tax (V-VI) | | 27,054.10 | 54,031.64 |
| VIII Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| - Fair value gain/(loss) on equity instruments through OCI | | - | (578.06) |
| - Net Gain/(loss) on remeasurement of defined benefit plan | | (1,222.21) | 250.88 |
| - Income tax relating to these items | | - | - |
| Total Other Comprehensive Income/(Loss) | | (1,222.21) | (327.18) |
| IX Total Comprehensive income/(loss) for the year (VII+VIII) | | 25,831.89 | 53,704.46 |
| X Earnings per equity share (Face Value of ₹ 10/- each) | 34 | | |
| Basic/Diluted | | 0.20 | 0.40 |
| 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)

Alok Dhandhanian
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXDUW1009

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(₹ in thousand)

| Particulars | Year Ended 31.03.2022 | Year Ended 31.03.2021 |
|--|--------------------------|--------------------------|
| I. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 32,315.85 | 110,885.82 |
| Adjustments for: | | |
| - Depreciation and amortisation expense | 3,623.26 | 3,638.65 |
| - Finance costs | 957.96 | 816.07 |
| - Interest income on financial assets at amortised cost at EIR | (124,171.99) | (212,642.21) |
| - Net gain on financial assets carried at FVTPL | (865.01) | (6,511.42) |
| - Rental Income on investment property | (1,525.42) | (1,525.42) |
| - Provision for doubtful debts | 678.54 | 176.24 |
| - Movement in provision for employee benefits expense | 936.46 | 696.23 |
| | (120,366.20) | (215,351.86) |
| Operating profit before working capital changes and tax | (88,050.35) | (104,466.04) |
| Adjustments for changes in working capital: | | |
| - (Increase)/Decrease in non financial assets | 49,772.11 | (293,351.04) |
| - (Increase)/Decrease in current and non-current financial assets | 178.51 | (285.81) |
| - Increase/(Decrease) in other current liabilities | (21,839.68) | 22,594.69 |
| - Increase/(Decrease) in other Financial Asset | (40,960.10) | - |
| - (Increase)/Decrease in Trade receivable | 200,308.63 | (61,852.21) |
| - Increase/(Decrease) in Trade Payables and other current financial liabilities | (26,169.39) | (144,947.45) |
| | 161,290.08 | (477,841.82) |
| Cash generated from operations before tax | 73,239.73 | (582,307.86) |
| -Income Taxes (Payment)/Refund | (7,230.45) | (51,521.70) |
| | (7,230.45) | (51,521.70) |
| Net cash from/(used in) operating activities | 66,009.28 | (633,829.56) |
| II. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| - Movement in advance for Capital Asset | 2,837.00 | (1,685.00) |
| - Purchase of property, plant and equipment | (2,146.48) | |
| - Sale of current investments | 15,000.00 | 205,000.00 |
| - Repayment of intercorporate loans | 670,000.00 | 875,500.00 |
| - Movement in Fixed Deposits | 973,000.00 | (973,000.00) |
| - Rent Received | 1,525.42 | 1,525.42 |
| - Interest Received | 137,477.43 | 213,204.84 |
| | 1,797,693.37 | 320,545.26 |
| Net cash from/(used in) investing activities | 1,797,693.37 | 320,545.26 |
| III. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| - Payment of Lease liabilities | (892.90) | (1,316.25) |
| - Payment of finance cost | - | (3.17) |
| | (892.90) | (1,319.42) |
| Net cash generated from/(used in) financing activities | (892.90) | (1,319.42) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III) | 1,862,809.75 | (314,603.72) |
| Cash and cash equivalents at the beginning of the year | 11,308.08 | 325,911.80 |
| Cash and cash equivalents at the end of the year | 1,874,117.83 | 11,308.08 |
| IV. Components of Cash and cash equivalents as per Note 14 | | |
| Balances with banks | | |
| - in Current Account | 103,484.93 | 10,625.24 |
| Cash on hand | 632.90 | 682.84 |
| Fixed Deposits with banks (with maturity of 3 months or less) | 1,770,000.00 | - |
| Total | 1,874,117.83 | 11,308.08 |
| 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 & Dhandhanias
Chartered Accountants
(Firm Registration No. 125756W)

Alok Dhandhanias
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXDUW1009

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in ₹ thousand unless otherwise stated)

A. EQUITY SHARE CAPITAL
(1) For the year ended as on March 31, 2022

| Balance as at April 1, 2021 | Changes in Equity Share Capital due to prior period errors | Restated balance as at April 1, 2021 | Changes in Equity Share capital during year | Balance as at March 31, 2022 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 1342347.76 | - | 1,342,347.76 | - | 1,342,347.76 |

(2) For the year ended as on March 31, 2021

| Balance as at April 1, 2020 | Changes in Equity Share Capital due to prior period errors | Restated balance as at April 1, 2020 | Changes in Equity Share capital during year | Balance as at March 31, 2021 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 1,342,347.76 | - | 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 | Remeasurement of defined benefit plan | Fair value gain/ (loss) on equity instruments through OCI | |
| Balance as at April 1, 2020 | 4,464,882.64 | 1,500.00 | 318,976.09 | (244,935.08) | (720.43) | (12,861.84) | 4,526,841.38 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - | - |
| Restated balance as at April 1, 2020 | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | 54,031.64 | - | - | 54,031.64 |
| Dividends | - | - | - | - | - | - | - |
| Other comprehensive income for the year 2020-21 | - | - | - | - | 250.88 | (578.06) | (327.18) |
| Balance as at March 31, 2021 | 4,464,882.64 | 1,500.00 | 318,976.09 | (190,903.44) | (469.55) | (13,439.90) | 4,580,545.84 |
| Balance as at April 1, 2021 | 4,464,882.64 | 1,500.00 | 318,976.09 | (190,903.44) | (469.55) | (13,439.90) | 4,580,545.84 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - | - |
| Restated balance as at April 1, 2021 | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | 27,054.10 | - | - | 27,054.10 |
| Other comprehensive income for the year 2021-22 | - | - | - | - | (1,222.21) | - | (1,222.21) |
| Balance as at March 31, 2022 | 4,464,882.64 | 1,500.00 | 318,976.09 | (163,849.34) | (1,691.76) | (13,439.90) | 4,606,377.73 |

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

As per our report of even date attached

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

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

Alok Dhandhanias
Partner
Membership No. 111062

B N Gupta
CEO and Wholtime Director
DIN : 00562338
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXDUW1009

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022 (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 May 30, 2022.

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 ongoing pandemic relating to COVID-19 on the carrying amounts of real estate advances, 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 had no major impact of COVID-19 in FY 21-22 and further estimates to have 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 an balance maturity of three months or less as at the balance sheet date, which are subject to an insignificant risk of changes in value.

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

O. Employee Benefits

i) Short Term Benefits

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

ii) Post Employment Benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no 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, 2022

| Particulars | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|----------------------|-----------------------|---------------|-------------------------------|---------------------|--------------------------|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2021 | Additions | Disposal/ Adjust- ments | As at 31.03.2022 | As at 1.04.2021 | For the year | Adjust- ments During the Year | As at 31.03.2022 | As at 31.03.2022 | As At 31.03.2021 |
| Land | | | | | | | | | | |
| -Freehold | 11,356.81 | - | - | 11,356.81 | - | - | - | - | 11,356.81 | 11,356.81 |
| Buildings | | | | | | | | | | |
| -Freehold | 34,674.65 | - | - | 34,674.65 | 5,229.30 | 871.55 | - | 6,100.85 | 28,573.80 | 29,445.35 |
| Plant & Equipments | 1,833.38 | 228.13 | - | 2,061.51 | 1,047.10 | 186.22 | - | 1,233.32 | 828.19 | 786.28 |
| Furniture & Fixtures | 140.03 | - | - | 140.03 | 116.80 | 0.93 | - | 117.73 | 22.30 | 23.23 |
| Vehicles | 9,717.38 | - | - | 9,717.38 | 3,377.85 | 1,067.59 | - | 4,445.44 | 5,271.94 | 6,339.53 |
| Office Equipment | 344.65 | 212.50 | - | 557.15 | 139.28 | 53.69 | - | 192.97 | 364.18 | 205.37 |
| Others | | | | | | | | | | |
| -Computers | 21.47 | - | - | 21.47 | 0.28 | - | - | 0.28 | 21.19 | 21.19 |
| Total | 58,088.37 | 440.63 | - | 58,529.00 | 9,910.61 | 2,179.98 | - | 12,090.59 | 46,438.41 | 48,177.76 |

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2021

| Particulars | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|----------------------|-----------------------|--------------|-------------------------------|---------------------|--------------------------|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2020 | Additions | Disposal/ Adjust- ments | As at 31.03.2021 | As at 1.04.2020 | For the year | Adjust- ments During the Year | As at 31.03.2021 | As at 31.03.2021 | As At 31.03.2020 |
| Land | | | | | | | | | | |
| -Freehold | 11,356.81 | - | - | 11,356.81 | - | - | - | - | 11,356.81 | 11,356.81 |
| Buildings | | | | | | | | | | |
| -Freehold | 34,674.65 | - | - | 34,674.65 | 4,357.75 | 871.55 | - | 5,229.30 | 29,445.35 | 30,316.90 |
| Plant & Equipments | 1,833.38 | - | - | 1,833.38 | 859.80 | 187.30 | - | 1,047.10 | 786.28 | 973.58 |
| Furniture & Fixtures | 140.03 | - | - | 140.03 | 107.39 | 9.41 | - | 116.80 | 23.23 | 32.64 |
| Vehicles | 9,717.38 | - | - | 9,717.38 | 2,310.26 | 1,067.59 | - | 3,377.85 | 6,339.53 | 7,407.12 |
| Office Equipment | 316.65 | 28.00 | - | 344.65 | 122.78 | 16.50 | - | 139.28 | 205.37 | 193.87 |
| Others | | | | | | | | | | |
| -Computers | 21.47 | - | - | 21.47 | 0.28 | - | - | 0.28 | 21.19 | 21.19 |
| Total | 58,060.37 | 28.00 | - | 58,088.37 | 7,758.26 | 2,152.35 | - | 9,910.61 | 48,177.76 | 50,302.11 |

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, 2022

| Particulars | Gross carrying amount | | | | Accumulated Depreciation/Amortisation | | | | Net carrying amount | |
|------------------|-----------------------|-----------|-------------------------------|---------------------|---------------------------------------|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2021 | Additions | Disposal/ Adjust- ments | As at 31.03.2022 | As at 1.04.2021 | For the year | Adjust- ments During the Year | As at 31.03.2022 | As at 31.03.2022 | As At 31.03.2021 |
| Land | | | | | | | | | | |
| -Leasehold | 293.24 | - | - | 293.24 | 26.52 | 4.42 | - | 30.94 | 262.30 | 266.72 |
| -Freehold | 3,088.24 | - | - | 3,088.24 | - | - | - | - | 3,088.24 | 3,088.24 |
| Buildings | | | | | | | | | | |
| -Freehold | 22,452.71 | - | - | 22,452.71 | 2,182.32 | 363.72 | - | 2,546.04 | 19,906.67 | 20,270.39 |
| Total | 25,834.19 | - | - | 25,834.19 | 2,208.84 | 368.14 | - | 2,576.98 | 23,257.21 | 23,625.35 |

The following table shows changes in Investment property during the year ended 31st March, 2021

| Particulars | Gross carrying amount | | | | Accumulated Depreciation/Amortisation | | | | Net carrying amount | |
|------------------|-----------------------|-----------|-------------------------------|---------------------|---------------------------------------|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2020 | Additions | Disposal/ Adjust- ments | As at 31.03.2021 | As at 1.04.2020 | For the year | Adjust- ments During the Year | As at 31.03.2021 | As at 31.03.2021 | As At 31.03.2020 |
| Land | | | | | | | | | | |
| -Leasehold | 293.24 | - | - | 293.24 | 22.10 | 4.42 | - | 26.52 | 266.72 | 271.14 |
| -Freehold | 3,088.24 | - | - | 3,088.24 | - | - | - | - | 3,088.24 | 3,088.24 |
| Buildings | | | | | | | | | | |
| -Freehold | 22,452.71 | - | - | 22,452.71 | 1,818.60 | 363.72 | - | 2,182.32 | 20,270.39 | 20,634.11 |
| Total | 25,834.19 | - | - | 25,834.19 | 1,840.70 | 368.14 | - | 2,208.84 | 23,625.35 | 23,993.49 |

(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 31.03.2022 | For the year Ended 31.03.2021 |
|---|----------------------------------|----------------------------------|
| Rental income | 1,525.42 | 1,525.42 |
| Direct operating expenses for property that generated rental income | 750.56 | 556.57 |
| Direct operating expenses for property that did not generate rental income | 2,551.39 | 2,572.62 |

(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 ₹ 262.30 thousand (previous year ₹ 266.72 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 yearly 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 | 1,525.42 |
| later than one year but not later than 5 years | 6,101.69 | 6,101.69 |
| later than 5 years | 29,618.64 | 31,144.07 |

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

| (iv) Fair Value of investment property | As at 31-03-2022 | As at 31-03-2021 |
|---|-------------------------|-------------------------|
| Investment properties | 259,720.85 | 246,780.00 |

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 as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, 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.

(v) Title deeds of the immovable properties not held in the name of the company

All the title deeds of the immovable properties are held in the name of the company subject to the following limitations:

| Sr. No. | Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in name of company | Remarks |
|---------|---|--|----------------------|---------------------------------|---|--------------------------------|--|--|
| 1 | PPE | Building at Vijay Vihar, Chembur, Mumbai | 560.89 | Oswal Agro Mills Limited | NA | 02-Nov-1989' | NA | The management is in the process of locating the original Title deeds. |
| 2 | Investment property | Freehold Land at Ludhiana, Punjab | 3,088.24 | Oswal Agro Mills Limited | NA | Prior to 1985 | NA | The management is in the process of locating the original Title deeds. |

(vi) No proceedings have been initiated/ pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (and rules thereof).

NON-CURRENT ASSETS

| 5 INVESTMENTS IN ASSOCIATE | As at 31.03.2022 | As at 31.03.2021 |
|---|-------------------------|-------------------------|
| Investments in Equity Instruments | | |
| Investments at cost | | |
| Associate Company (Quoted) | | |
| Oswal Greentech Limited | | |
| 9,13,84,203 Equity Shares (31st March, 2021: 9,13,84,203) of ₹ 10/- each fully paid | 2,375,808.28 | 2,375,808.28 |
| Total | 2,375,808.28 | 2,375,808.28 |
| Aggregate amount of quoted investments | 2,375,808.28 | 2,375,808.28 |
| Aggregate market value of quoted investments | 2,097,267.46 | 1,635,777.23 |
| 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, 2022 | Ownership interest as at 31st March, 2021 | Method of Accounting |
|-----------------------------------|---|---|---|----------------------|
| Oswal Greentech Limited | India | 35.58% | 35.58% | Measured at Cost |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

FINANCIAL ASSETS

| 6 | INVESTMENTS | As at 31.03.2022 | As at 31.03.2021 |
|-----|---|---------------------|---------------------|
| | 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, 2021: 1,44,51,500) of ₹ 10/- each fully paid | 129,629.96 | 129,629.96 |
| | Total | 129,629.96 | 129,629.96 |
| | Aggregate amount and market value of quoted investments | - | - |
| | Aggregate amount of un-quoted investments | 129,629.96 | 129,629.96 |
| | Aggregate amount of impairment in value of investments | - | - |
| 7 | LOANS | | |
| | (Unsecured, considered good) | | |
| | Other loans | | |
| | -Inter-corporate deposits | - | 777,500.00 |
| | -Loan to employees | 111.62 | 151.70 |
| | Total | 111.62 | 777,651.70 |
| 8 | OTHER FINANCIAL ASSETS | | |
| | (Unsecured, considered doubtful) | | |
| | Security deposits | 1,007.30 | 1,007.30 |
| | Bank deposits with more than 12 months maturity | 33,409.46 | 33,409.46 |
| | Less: Allowance for credit losses* | (33,409.46) | (33,409.46) |
| | Total | 1,007.30 | 1,007.30 |
| | *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 | | |
| | Deferred Tax Liabilities | | |
| | Mutual Funds measured at FVTPL | 529.05 | 625.36 |
| | | 529.05 | 625.36 |
| | Deferred Tax Assets | | |
| | Employee benefits expense | (3,059.11) | (2,378.72) |
| | Property, Plant and Equipment and Investment Property | (13,783.15) | (12,660.70) |
| | Deductible capital losses under Income Tax Act, 1961 on sale of investments | (37,961.48) | (36,083.90) |
| | Lease liabilities | (77.45) | (55.87) |
| | Other timing differences | (5,138.23) | (4,966.95) |
| | | (60,019.42) | (56,146.14) |
| | Net Deferred Tax (Assets)/Liabilities recognised in Balance Sheet | (59,490.37) | (55,520.78) |

(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, 2020 | 2,321.70 | (2,135.72) | (11,861.85) | (36,896.37) | (40.54) | (4,922.60) | (53,535.38) |
| Charged/(Credited) to Profit or Loss in 2020-21 | (1,696.34) | (243.00) | (798.85) | 812.47 | (15.33) | (44.35) | (1,985.40) |
| Charged/(Credited) to Other Comprehensive Income in 2020-21 | - | - | - | - | - | - | - |
| Impact on account of IND AS 116 | - | - | - | - | - | - | - |
| Balance as at March 31, 2021 | 625.36 | (2,378.72) | (12,660.70) | (36,083.90) | (55.87) | (4,966.95) | (55,520.78) |
| Charged/(Credited) to Profit or Loss in 2021-22 | (96.31) | (680.39) | (1,122.45) | (1,877.58) | (21.58) | (171.28) | (3,969.59) |
| Charged/(Credited) to Other Comprehensive Income in 2021-22 | - | - | - | - | - | - | - |
| Balance as at March 31, 2022 | 529.05 | (3,059.11) | (13,783.15) | (37,961.48) | (77.45) | (5,138.23) | (59,490.37) |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 |
|--|--------------------------|--------------------------|
| Accounting profit/(loss) before tax expense | 32,315.85 | 110,885.82 |
| Enacted tax rates in India | 25.17% | 25.17% |
| Taxed at India's statutory income tax rate | 8,133.25 | 27,909.40 |
| Effect of: | | |
| Non deductible expense | (993.92) | 5,802.73 |
| Income tax for earlier years | - | 22,329.58 |
| DTA on capital losses | (1,877.58) | 812.47 |
| Income tax expense recognised in Statement of Profit and Loss | 5,261.75 | 56,854.18 |

(d) The tax rates under Indian Income Tax Act, 1961 for financial year 2021-22 is 25.17% (Previous year 2020-21 is 25.17%)

(e) Unrecognised temporary differences

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|---------------------|---------------------|
| i) The amount of deductible temporary differences on investments in equity shares for which no deferred tax asset is recognised | 858,315.98 | 808,451.20 |
| 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* | 38,874.75 | 47,080.95 |
| Potential tax benefit @ 22.88% (P.Y. 22.88%) | 205,277.24 | 195,745.76 |

* 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

| | As at 31.03.2022 | As at 31.03.2021 |
|--------------------------|---------------------|---------------------|
| Capital advances | - | 2,837.00 |
| Others | | |
| -Input credit receivable | 6,649.46 | 5,030.34 |
| Total | 6,649.46 | 7,867.34 |

CURRENT ASSETS
11 INVENTORIES

(At lower of cost and net realisable value)

| | | |
|--------------------------|-------------------|-------------------|
| Stock in Trade | 648,885.17 | 648,885.17 |
| -Land at Chembur, Mumbai | | |
| Total | 648,885.17 | 648,885.17 |

FINANCIAL ASSETS
12 INVESTMENTS

Investments at fair value through profit or loss (FVTPL)

Investment in Mutual Funds (Unquoted)

| | | |
|---|------------------|------------------|
| 5434.7530 units (31st March, 2021 9,433.146 units) of LIC MF-liquid fund- Growth Plan | 20,794.70 | 34,929.70 |
| Total | 20,794.70 | 34,929.70 |
| (a) Aggregate amount and market value of quoted investments | - | - |
| (b) Aggregate amount of unquoted investments | 20,794.70 | 34,929.70 |
| (c) Aggregate amount of impairment in value of investments | - | - |

13 TRADE RECEIVABLES

| | | |
|---|-----------------|-------------------|
| Trade receivable Considered good - Secured | - | - |
| Trade receivable Considered good - Unsecured | 2,408.38 | 203,395.55 |
| Trade receivable which have Significant increase in Credit Risk | 848.17 | 169.63 |
| Trade receivable - Credit Impaired | - | - |
| | 3,256.55 | 203,565.18 |
| Less: Allowance for expected credit losses | (848.17) | (169.63) |
| | 2,408.38 | 203,395.55 |
| Total | 2,408.38 | 203,395.55 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Trade receivables ageing Schedule for the year ended as on March 31, 2022 and March 31, 2021

For the year ended as on March 31, 2022

| Particulars | | Outstanding for following periods from due date of payments | | | | | | |
|-------------|---|---|--------------------|-------------------|-----------|-----------|-------------------|-----------------|
| | | Not due | Less than 6 months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) | Undisputed Trade Receivables considered good-Unsecured | - | - | - | - | 2,408.38 | - | 2,408.38 |
| (ii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | 848.17 | - | 848.17 |
| (iii) | Undisputed Trade Receivables credit impaired | - | - | - | - | - | - | - |
| (iv) | Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) | Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| | Less : Allowances for credit loss | - | - | - | - | (848.17) | - | (848.17) |
| | Total Trade Receivable | | | | | | | 2,408.38 |

For the year ended as on March 31, 2021

| Particulars | | Outstanding for following periods from due date of payments | | | | | | |
|-------------|---|---|--------------------|-------------------|-----------|-----------|-------------------|-------------------|
| | | Not due | Less than 6 months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) | Undisputed Trade Receivables – considered good-Unsecured | - | 200,172.53 | | 3,223.02 | - | - | 203,395.55 |
| (ii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | 169.63 | - | - | 169.63 |
| (iii) | Undisputed Trade Receivables credit impaired | - | - | - | - | - | - | - |
| (iv) | Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) | Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| | Less : Allowances for credit loss | - | - | - | (169.63) | - | - | (169.63) |
| | Total Trade Receivable | | | | | | | 203,395.55 |

Movements in Expected Credit Losses Allowance is as below:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Balance at the beginning of the year | 169.63 | - |
| Charge in the Statement of Profit & Loss | 678.54 | 169.63 |
| Utilized during the year | - | - |
| Balance at the end of the year | 848.17 | 169.63 |

14 CASH AND CASH EQUIVALENTS

| | As at 31.03.2022 | As at 31.03.2021 |
|---|---------------------|------------------|
| Balances with banks | | |
| - in current account | 103,491.54 | 10,631.85 |
| Less: Provision for doubtful bank balances | (6.61) | (6.61) |
| | 103,484.93 | 10,625.24 |
| Cash on hand | 632.90 | 682.84 |
| Cheques in hand | - | - |
| Fixed Deposits with banks (with maturity of 3 months or less) | 1,770,000.00 | - |
| Total | 1,874,117.83 | 11,308.08 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| 15 | BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS | As at 31.03.2022 | As at 31.03.2021 |
|----|---|-----------------------------|-----------------------------|
| | Fixed Deposits with banks (with maturity more than 3 months and upto 12 months) | - | 973,000.00 |
| | Total | - | 973,000.00 |
| 16 | LOANS | | |
| | (Unsecured, considered good) | | |
| | Other loans | | |
| | - Inter corporate Deposits | 379,000.00 | 271,500.00 |
| | - Loan to employees | 261.68 | 400.11 |
| | Total | 379,261.68 | 271,900.11 |
| 17 | OTHER FINANCIAL ASSETS | | |
| | Interest receivable | 16,624.13 | 29,929.57 |
| | Lease receivable | 3,240.00 | 1,620.00 |
| | Advance to vendors | 69,963.03 | 30,622.93 |
| | Total | 89,827.16 | 62,172.50 |
| | NON-FINANCIAL ASSETS | | |
| 18 | OTHER CURRENT ASSETS | | |
| | Advances other than capital advances | | |
| | -Advance to vendors (Real Estate) | 325,000.00 | 375,000.00 |
| | Other advances | 725.52 | 2,116.75 |
| | Total | 325,725.52 | 377,116.75 |
| | EQUITY AND LIABILITIES | | |
| 19 | SHARE CAPITAL | | |
| | Authorized: | | |
| | 30,00,00,000 (31st March 2021: 30,00,00,000) Equity Shares of ₹ 10/- each | 3,000,000.00 | 3,000,000.00 |
| | 1,00,00,000 (31st March 2021: 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: | | |
| | 13,42,34,776 (31st March 2021: 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, 2020 | 134,234,776 | 1,342,347.76 |
| Add/(less): Issued/(redeemed) during the year | - | - |
| As at March 31, 2021 | 134,234,776 | 1,342,347.76 |
| Add/(less): Issued/(redeemed) during the year | - | - |
| As at March 31, 2022 | 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, 2022 | | |
| - Aruna Oswal | 56,026,460 | 41.74% |
| As at March 31, 2021 | | |
| - 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 ₹ 10 each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The equity shareholders are entitled to dividend rights according to their paid up portion of the share capital. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(d) Shareholding of promoters:

Shares held by promoters as on March 31, 2022

| Name of Promoter | No. of shares | % of shares | % change during the year |
|-----------------------|---------------|-------------|--------------------------|
| Mrs. Aruna Oswal | 56,026,460 | 41.7377% | - |
| PC Media Systems Ltd. | 6,222 | 0.0046% | - |
| Oswal Greentech Ltd. | 1,000 | 0.0007% | - |

| 20 OTHER EQUITY | As at 31.03.2022 | As at 31.03.2021 |
|---|---------------------|---------------------|
| (a) Reserve and Surplus | | |
| Securities Premium | | |
| 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 | (190,903.44) | (244,935.08) |
| Add: Profit/(loss) for the year | 27,054.10 | 54,031.64 |
| Balance at the end | (163,849.34) | (190,903.44) |
| Remeasurement of net defined benefit plan | | |
| Balance at the commencement of the year | (469.55) | (720.43) |
| Add: Additions/(Deletion) during the year | (1,222.21) | 250.88 |
| Balance at the end | (1,691.76) | (469.55) |
| (b) Other Components of Equity | | |
| Fair value gain/(loss) on equity instruments through OCI | | |
| Balance at the commencement of the year | (13,439.90) | (12,861.84) |
| Add: Additions/(Deletion) during the year | - | (578.06) |
| Balance at the end | (13,439.90) | (13,439.90) |
| Total (a+b) | 4,606,377.73 | 4,580,545.84 |

NATURE AND PURPOSE OF COMPONENTS OF OTHER EQUITY:

Securities Premium

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.

NON-CURRENT LIABILITIES

| 21 PROVISIONS | As at 31.03.2022 | As at 31.03.2021 |
|----------------------------------|---------------------|---------------------|
| Provisions for employee benefits | 3,615.32 | 2,011.95 |
| Total | 3,615.32 | 2,011.95 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

CURRENT LIABILITIES
FINANCIAL LIABILITIES

| 22 | TRADE PAYABLES | As at 31.03.2022 | As at 31.03.2021 |
|----|-----------------------|---------------------|---------------------|
| | MSME | - | - |
| | Others | - | 26,676.18 |
| | Disputed dues- MSME | - | - |
| | Disputed dues- Others | - | - |
| | Total | - | 26,676.18 |

Trade payable ageing Schedule for the year ended as on March 31,2022 and March 31 ,2021

For the year ended as on March 31,2022

| Particulars | Outstanding for following periods from due date of payments | | | | | |
|-----------------------|---|---------------------|-----------|-----------|----------------------|-------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Disputed dues- MSME | - | - | - | - | - | - |
| Disputed dues- Others | - | - | - | - | - | - |

For the year ended as on March 31,2021

| Particulars | Outstanding for following periods from due date of payments | | | | | |
|-----------------------|---|---------------------|-----------|-----------|----------------------|-----------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | - | - | - | - | - | - |
| Others | - | 26,676.18 | - | - | - | 26,676.18 |
| Disputed dues- MSME | - | - | - | - | - | - |
| Disputed dues- Others | - | - | - | - | - | - |

| 23 | OTHER FINANCIAL LIABILITIES | As at 31.03.2022 | As at 31.03.2021 |
|----|-----------------------------|---------------------|---------------------|
| | Others | | |
| | -Creditors for expenses | 2,696.04 | 2,235.20 |
| | -Employee benefits payable | 330.26 | 284.31 |
| | Total | 3,026.30 | 2,519.51 |

NON-FINANCIAL LIABILITIES

| 24 | OTHER CURRENT LIABILITIES | As at 31.03.2022 | As at 31.03.2021 |
|----|----------------------------------|---------------------|---------------------|
| | Others | | |
| | - Payable against litigations | 31,276.18 | 31,276.18 |
| | - Duties & taxes payable | 2,536.56 | 24,376.24 |
| | Total | 33,812.74 | 55,652.42 |
| 25 | PROVISIONS | | |
| | Provisions for employee benefits | 8,592.04 | 7,439.42 |
| | Total | 8,592.04 | 7,439.42 |

NOTES RELATED TO STATEMENT OF PROFIT AND LOSS

| 26 | REVENUE FROM OPERATIONS | Year ended 31.03.2022 | Year ended 31.03.2021 |
|----|-------------------------|--------------------------|--------------------------|
| | Sale of products | | |
| | - Commodities | 110,213.47 | 292,668.95 |
| | Total | 110,213.47 | 292,668.95 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| 27 | OTHER INCOME | Year ended 31.03.2022 | Year ended 31.03.2021 |
|----|---|--------------------------|--------------------------|
| | Interest income | | |
| | -Interest income at EIR (including interest on income tax refund) | 124,171.99 | 212,642.21 |
| | Other non operating income | | |
| | - Net gain on financial assets carried at FVTPL | 865.01 | 6,511.42 |
| | - Lease Income | 1,525.42 | 1,525.42 |
| | - Miscellaneous income | 0.53 | 1,769.64 |
| | Total | 126,562.95 | 222,448.69 |
| 28 | PURCHASES OF STOCK IN TRADE | | |
| | Purchase of commodities | 109,129.56 | 289,674.19 |
| | Total | 109,129.56 | 289,674.19 |
| 29 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries and wages | 21,538.86 | 18,709.37 |
| | Contribution to provident and other funds | 1,605.42 | 1,276.32 |
| | Staff welfare expenses | 436.81 | 228.23 |
| | Total | 23,581.09 | 20,213.92 |
| 1) | Defined Contribution Plan: | Current year | Previous year |
| | Contribution to Provident fund | 1,501.85 | 1,192.77 |
| 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.

- 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.
- 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.
- 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 31.03.2022 | Gratuity (Unfunded) Year ended 31.03.2021 |
|---|--|--|
| Recognised in profit and loss | | |
| Current service cost | 564.24 | 468.88 |
| Interest Cost | 438.41 | 388.07 |
| Past service cost including curtailment gains/losses | - | - |
| Total | 1,002.65 | 856.95 |
| Recognised in other comprehensive income | | |
| Actuarial Gain/(Loss) | 1,222.21 | 250.88 |
| Total | 1,222.21 | 250.88 |
| Expected contribution in the next year | 988.35 | 742.28 |
| Assumptions | | |
| Mortality rates inclusive of provision for disability | 100% of IALM (2012 - 14) | 100% of IALM (2012 - 14) |
| 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 | 6.80 | 6.32 |
| 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 31.03.2022 | Gratuity (Unfunded) For the year ended 31.03.2021 |
|--|---|---|
| Change in present benefit obligations | | |
| Present value of obligation as at the beginning of the Year | 6,936.80 | 6,330.73 |
| Interest Cost | 438.41 | 388.07 |
| Acquisition adjustment | - | - |
| Current service cost | 564.24 | 468.88 |
| Past Service Cost including curtailment gains/losses | - | - |
| Benefits Paid | (64.90) | - |
| Actuarial (Gain)/Loss - Experience Adjustment | 1,303.96 | (231.41) |
| Actuarial (Gain)/Loss - Demographic Assumptions | - | - |
| Actuarial (Gain)/Loss - Financial Assumptions | (81.75) | (19.47) |
| Present value of obligation as at the end of Year | 9,096.76 | 6,936.80 |
| | | |
| Present value of obligation as at the end of Year- current | 6,466.58 | 5,758.60 |
| Present value of obligation as at the end of Year- non-current | 2,630.18 | 1,178.20 |
| | | |
| 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 | 9,096.76 | 6,936.80 |
| Fair value of plan assets | - | - |
| Unfunded Liability/provision in Balance Sheet | 9,096.76 | 6,936.80 |
| Unfunded liability recognized in Balance Sheet | 9,096.76 | 6,936.80 |

Description of Risk Exposures:

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

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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

Sensitivity Analysis

| Particulars | 31.03.2022 | 31.03.2021 |
|--|------------|------------|
| a) Impact of the change in discount rate | | |
| Present Value of Obligation at the end of the period | 9,096.76 | 6,936.80 |
| a) Impact due to increase of 0.50% | (81.88) | (49.32) |
| b) Impact due to decrease of 0.50% | 86.85 | 53.54 |
| b) Impact of the change in salary increase | | |
| Present Value of Obligation at the end of the period | 9,096.76 | 6,936.80 |
| a) Impact due to increase of 0.50% | 87.11 | 53.44 |
| b) Impact due to decrease of 0.50% | (82.86) | (49.68) |

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 | 31.03.2022 |
|--|------------|
| April 2022- March 2023 | 6,466.57 |
| April 2023- March 2024 | 333.74 |
| April 2024- March 2025 | 551.55 |
| April 2025- March 2026 | 282.47 |
| April 2026- March 2027 | 212.94 |
| April 2027- March 2028 | 22.49 |
| April 2028 onwards | 1,227.00 |

| | | | |
|-----------|--|----------------------------------|----------------------------------|
| 30 | FINANCE COST | Year ended 31.03.2022 | Year ended 31.03.2021 |
| | Interest others | 957.96 | 816.07 |
| | Total | 957.96 | 816.07 |
| 31 | DEPRECIATION AND AMORTISATION EXPENSE | | |
| | Property, plant and equipment | 2,179.98 | 2,152.35 |
| | Investment property | 368.14 | 368.14 |
| | Right-of-use assets | 1,075.14 | 1,118.16 |
| | Total | 3,623.26 | 3,638.65 |
| 32 | OTHER EXPENSES | | |
| | Consultation & Professional Fee | 21,081.25 | 22,895.99 |
| | Rates and taxes | 14,530.50 | 14,384.20 |
| | Security Services | 4,707.74 | 5,214.87 |
| | Advertisement expense | 2,383.91 | 2,181.64 |
| | Postage & Telegram | 73.28 | 42.81 |
| | Printing & Stationery | 35.22 | 56.49 |
| | Business Promotion | 4,602.35 | 2,781.00 |
| | Operating Lease expenses | 243.00 | 252.91 |
| | Electricity Expenses | 374.98 | 307.48 |
| | Contribution towards Corporate Social Responsibility | 2,500.00 | 18,400.00 |
| | Donation | 545.00 | 15,000.40 |
| | Repairs & Maintenance: | | |
| | - Building | 9,199.62 | 2,275.56 |
| | - Others | 487.32 | 957.51 |
| | Payment to Auditor: | | |
| | - Statutory Audit | 621.69 | 590.00 |
| | - Out of pocket | 52.96 | 10.68 |
| | Provision for ECL | 678.54 | 176.24 |
| | Other General Expenses | 5,051.34 | 4,361.21 |
| | Total | 67,168.70 | 89,888.99 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| 33 | TAX EXPENSES | Year ended 31.03.2022 | Year ended 31.03.2021 |
|----|-------------------------------|----------------------------------|----------------------------------|
| | Current Tax | | |
| | -Income Tax | 9,231.34 | 36,510.00 |
| | -Income tax for earlier years | - | 22,329.58 |
| | | <u>9,231.34</u> | <u>58,839.58</u> |
| | Deferred Tax | (3,969.59) | (1,985.40) |
| | Total | <u>5,261.75</u> | <u>56,854.18</u> |

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 | For the Year 2021-2022 | For the Year 2020-2021 |
|--|-----------------------------------|-----------------------------------|
| 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) | 27,054.10 | 54,031.64 |
| Basic/Diluted earnings per Share (Amount in ₹) | 0.20 | 0.40 |
| Face value per equity share (Amount in ₹) | 10 | 10 |

35 DIRECTOR'S REMUNERATION

| Particulars | For the Year 2021-2022 | For the Year 2020-2021 |
|------------------------------------|-----------------------------------|-----------------------------------|
| Salary, allowances and perquisites | 3,102.00 | 2,813.10 |
| Contribution to provident fund | 210.38 | 192.38 |
| Total | <u>3,312.38</u> | <u>3,005.48</u> |

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. Following are the changes in the carrying value of right of use assets:

| Particulars | ROU -Building as at 31.03.2022 (in ₹ Thousands) | ROU -Building as at 31.03.2021 (in ₹ Thousands) |
|------------------------|--|--|
| Opening Balance | 2,236.32 | 3,354.48 |
| Additions | 1,705.85 | - |
| Deletions | - | - |
| Depreciation | 1,075.14 | 1,118.16 |
| Closing Balance | 2,867.03 | 2,236.32 |

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

c. The following is the break-up of current and non-current lease liabilities:

| Particulars | As at 31.03.2022 (in ₹ Thousands) | As at 31.03.2021 (in ₹ Thousands) |
|-------------------------------|--|--|
| Current lease liabilities | 1,092.96 | 2,416.74 |
| Non-current lease liabilities | 2,081.81 | 1,290.30 |
| Total | 3,174.77 | 3,707.04 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

d. The following is the movement in lease liabilities:

| Particulars | As at 31.03.2022 (in ₹ Thousands) | As at 31.03.2021 (in ₹ Thousands) |
|--|--------------------------------------|--------------------------------------|
| Opening Balance | 3,707.04 | 4,730.57 |
| Additions | 1,705.85 | - |
| Finance cost accrued during the period | 360.63 | 292.72 |
| Deletions | - | - |
| Payment of lease liabilities | (2,598.75) | (1,316.25) |
| Closing Balance | 3,174.77 | 3,707.04 |

e. There are no expense for short-term leases and leases of low-value assets for the year ended March 31,2022 and March 31,2021.

f. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| Particulars | As at 31.03.2022 (in ₹ Thousands) | As at 31.03.2021 (in ₹ Thousands) |
|----------------------|--------------------------------------|--------------------------------------|
| Less than one year | 1,350.00 | 1,350.00 |
| One to five years | 2,250.00 | 1,350.00 |
| More than five years | - | - |
| Total | 3,600.00 | 2,700.00 |

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.

g. The weighted average incremental borrowing rate applied to lease liabilities is 10%.

| 37 | CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR): | As at 31.03.2022 | As at 31.03.2021 |
|-----|--|---------------------|---------------------|
| (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 | | |
| | - Income tax demands | 6,325.91 | 6,325.91 |
| (c) | Estimated amount of contracts remaining to be executed on capital account and not provided for | - | 3,404.88 |

* 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 & Whole Time Director |
| Ms. Shikha Jain | Independent Director (Resigned w.e.f 5 th Feb, 2021) |
| Mr. Ramesh Kumar Khanna | Independent Director (Ceased to be director w.e.f 23 rd May, 2021) |
| Mr. Mohinder Pal Singh | Independent Director |
| Mr. Pulkit Gupta | Independent Director (Appointed w.e.f 5 th Feb, 2021) |
| Mr. Dhiraj Gupta | Independent Director (Appointed w.e.f 13 th Aug, 2021) |
| Mr. Parveen Chopra | Chief Financial Officer |
| Mr. Gopal | Company Secretary (Resigned w.e.f 15 th Nov, 2021) |
| Ms. Anjali Aggarwal | Company Secretary (Appointed w.e.f 16 th Nov, 2021) |

(c) **Other related parties**

Aruna Abhey Oswal Trust
Jindal Steel and Power Limited

The entity is controlled by a key managerial person
The entity over which Company Director's relative has significant influence

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 expenses | 1,590.00 | 1,590.00 |
| | Receivable of Gratuity and Leave Encashment on account of transfer of employees | 2,152.47 | - |
| | Balances outstanding at year end | | |
| | Lease liabilities | 3,174.77 | 3,707.04 |
| | Security deposit given | 337.50 | 337.50 |
| | 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) | 3,102.00 | 2,813.10 |
| | Managerial Remuneration (Post Employment benefits) | 210.38 | 192.38 |
| | (ii) Mr. Parveen Chopra | | |
| | Managerial Remuneration (short term Employee benefits) | 2,076.53 | 2,159.02 |
| | Managerial Remuneration (Post Employment benefits) | 138.59 | 138.59 |
| | (iii) Mr. Gopal | | |
| | Managerial Remuneration (short term Employee benefits) | 379.15 | 432.90 |
| | Managerial Remuneration (Post Employment benefits) | 23.47 | 34.85 |
| | (iv) Ms. Anjali Aggarwal | | |
| | Managerial Remuneration (short term Employee benefits) | 217.67 | - |
| | Managerial Remuneration (Post Employment benefits) | 18.47 | - |
| | (v) Mrs. Shikha Jain | | |
| | Sitting Fees | - | 225.00 |
| | (vi) Mr. Ramesh Kumar Khanna | | |
| | Sitting Fees | - | 165.00 |
| | (vii) Mr. Mohinder Pal Singh | | |
| | Sitting Fees | 150.00 | 60.00 |
| | (viii) Mr Pulkit Gupta | | |
| | Sitting Fees | 195.00 | 30.00 |
| | (ix) Mr Dhiraj Gupta | | |
| | Sitting Fees | 105.00 | - |
| | Balance outstanding at year end | | |
| | (i) Mr. B. N. Gupta | | |
| | Managerial Remuneration payable | 36.33 | 11.33 |
| | (ii) Mr. Parveen Chopra | | |
| | Salary and Other Benefits Payable | 23.69 | 23.69 |
| | (iii) Mr. Gopal | | |
| | Salary and Other Benefits Payable | - | 5.63 |
| | (iv) Ms. Anjali Aggarwal | | |
| | Salary and Other Benefits Payable | 8.18 | - |
| (c) Other related parties | | | |
| (i) Aruna Abhey Oswal Trust | Transactions during the year | | |
| | Rental Income (inclusive of applicable taxes) | 1,800.00 | 1,800.00 |
| | Donation given | 2,500.00 | - |
| | Balance outstanding at year end | | |
| (ii) Jindal Steel and Power Limited | Lease receivable (inclusive of applicable taxes net of TDS) | 3,240.00 | 1,620.00 |
| | Transactions during the year | | |
| | Sale of commodities (excluding GST) | 25,207.86 | 144,888.91 |
| | Balance outstanding at year end | | |
| | Trade receivable (inclusive of GST) | - | 171,097.14 |

Note-1: 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/commodities.
- 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 | 110,213.47 | 292,668.95 |
| | Investment | 126,562.42 | 219,894.24 |
| | Real Estate | - | 5.32 |
| | Unallocable | 0.53 | 2,549.13 |
| | Total Segment Revenue | 236,776.42 | 515,117.64 |
| (b) | Segment Result | | |
| | Profit/(Loss) before tax and interest from each segment | | |
| | Trading | 405.38 | 2,825.12 |
| | Investment | 103,100.27 | 202,757.24 |
| | Real Estate | (25,813.93) | (30,295.40) |
| | Unallocable | (44,417.91) | (63,585.07) |
| | Less : Finance cost | 957.96 | 816.07 |
| | Profit before Tax | 32,315.85 | 110,885.82 |
| | Less: Current Tax | 9,231.34 | 58,839.58 |
| | Less: Deferred Tax | (3,969.59) | (1,985.40) |
| | Profit after Tax | 27,054.10 | 54,031.64 |
| (c) | Segment Assets | | |
| | Trading | 72,371.40 | 234,018.48 |
| | Investment | 4,804,648.44 | 4,630,824.91 |
| | Real Estate | 995,669.21 | 1,026,038.00 |
| | Unallocable | 128,257.61 | 130,018.73 |
| | Total Assets | 6,000,946.66 | 6,020,900.12 |
| (d) | Segment Liabilities | | |
| | Trading | 881.59 | 26,676.18 |
| | Investment | 4,898.28 | 4,860.01 |
| | Real Estate | 8,066.98 | 6,977.47 |
| | Unallocable | 38,374.32 | 59,492.86 |
| | Total Liabilities | 52,221.17 | 98,006.52 |
| (e) | Other Information | | |
| | (i) Capital expenditure | | |
| | Investment | - | - |
| | Real Estate | - | - |
| | Unallocable | 440.63 | 28.00 |
| | (ii) Interest revenue | | |
| | Investment | 124,171.99 | 211,857.40 |
| | Real Estate | - | 5.32 |
| | Unallocable | - | 779.49 |
| | (iii) Depreciation | | |
| | Investment | 1,228.25 | 1,262.66 |
| | Real Estate | 215.03 | 223.63 |
| | Unallocable | 2,179.98 | 2,152.36 |

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

Note 2: Revenue from three (two in previous year) customers exceeded 10% of the company's revenue viz. ₹ 87150.82 thousand (previous year ₹ 194163.60 thousand) arising from trading of commodity under trading segment and ₹ 43517.13 thousand (previous year ₹ 80,533.56 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 31-03-2022 | As at 31-03-2021 |
|--|-------------------------|-------------------------|
| Opelina Sustainable Services Limited | 379,000.00 | 661,500.00 |
| Minerals Management Services (I) Private Limited | - | 387,500.00 |
| TOTAL | 379,000.00 | 1,049,000.00 |

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, 2022 and March 31, 2021 are as follows:

| Particulars | As at 31.03.2022 | | As at 31.03.2021 | |
|--|-------------------------|---------------------|-------------------------|---------------------|
| | Carrying value | Fair value | Carrying value | Fair value |
| FINANCIAL ASSETS | | | | |
| At fair value through other comprehensive income (FVTOCI) | | | | |
| Non Current | | | | |
| Investments | 129,629.96 | 129,629.96 | 129,629.96 | 129,629.96 |
| At fair value through profit or loss (FVTPL) | | | | |
| Current | | | | |
| Investments | 20,794.70 | 20,794.70 | 34,929.70 | 34,929.70 |
| At amortised cost | | | | |
| Non Current | | | | |
| i) Loans | 111.62 | 111.62 | 777,651.70 | 777,651.70 |
| ii) Other financial assets | 1,007.30 | 1,007.30 | 1,007.30 | 1,007.30 |
| Current | | | | |
| i) Trade receivables | 2,408.38 | 2,408.38 | 203,395.55 | 203,395.55 |
| ii) Cash and cash equivalents | 1,874,117.83 | 1,874,117.83 | 11,308.08 | 11,308.08 |
| iii) Bank Balances other than cash and cash equivalents | - | - | 973,000.00 | 973,000.00 |
| iv) Loans | 379,261.68 | 379,261.68 | 271,900.11 | 271,900.11 |
| v) Other financial assets | 89,827.16 | 89,827.16 | 62,172.50 | 62,172.50 |
| Total Financial Assets | 2,497,158.63 | 2,497,158.63 | 2,464,994.90 | 2,464,994.90 |
| FINANCIAL LIABILITIES | | | | |
| At amortised cost | | | | |
| Non Current | | | | |
| (i) Lease liabilities | 2,081.81 | 2,081.81 | 1,290.30 | 1,290.30 |
| Current | | | | |
| (i) Trade Payable | - | - | 26,676.18 | 26,676.18 |
| (ii) Lease liabilities | 1,092.96 | 1,092.96 | 2,416.74 | 2,416.74 |
| (iii) Other financial liabilities | 3,026.30 | 3,026.30 | 2,519.51 | 2,519.51 |
| Total Financial Liabilities | 6,201.07 | 6,201.07 | 32,902.73 | 32,902.73 |

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, trade payables, 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. The fair value of lease liabilities is also considered to be equal to its book value.

The fair value of investments in mutual fund is determined on the basis of NAV of mutual fund declared on the last day of the financial year. The fair value of the equity instruments measured at 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

DETAILS OF ASSETS PLEDGED AS COLLATERAL/SECURITY

The carrying amount of assets as at 31st March, 2022 and 31st March, 2021 that the company has provided as collateral for obtaining borrowings and other facilities from the bankers as follows:

| Particular | As at 31-03-2022 | As at 31-03-2021 |
|--|------------------|------------------|
| 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, 2022 and 31st March, 2021.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March, 2022 and 31st March 2021:

| 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 31st March, 2022 | 20,794.70 | 129,629.96 | 23,257.21 |
| Fair valuation as at 31st March, 2022 | | | |
| Level 3 | - | 129,629.96 | 259,720.85 |
| Level 2 | - | - | - |
| Level 1 | 20,794.70 | - | - |
| Carrying Value as at 31st March, 2021 | 34,929.70 | 129,629.96 | 23,625.35 |
| Fair valuation as at 31st March, 2021 | | | |
| Level 3 | - | 129,629.96 | 246,780.00 |
| Level 2 | - | - | - |
| Level 1 | 34,929.70 | - | - |

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended on 31st March, 2022 or on 31st March 2021.

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 31-03-2022 | As at 31-03-2021 |
|--|-------------------|-------------------|
| Opening Balance of investment valued using level 3 inputs | 129,629.96 | 130,208.02 |
| Add/(Less): Fair value changes for the year recognised in other comprehensive income | - | (578.06) |
| Closing balances | 129,629.96 | 129,629.96 |

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)
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 trade payables, 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:

(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 ₹ 3,89,819.07 thousand as at March 31, 2022 i.e., 15.61% (₹ 12,79,226.12 thousand as at March 31, 2021 i.e., 51.90%). 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 31.03.2022 and as at 31.03.2021 is as follows:

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|--|---------------------|---------------------|
| Investments (Non current and current) | 150,424.66 | 164,559.66 |
| Loans (Non current and current) | 379,373.30 | 1,049,551.81 |
| Other financial assets (Non current) | 1,007.30 | 1,007.30 |
| Trade receivables | 2,408.38 | 203,395.55 |
| Cash and cash equivalents | 1,874,117.83 | 11,308.08 |
| Bank Balances other than cash and cash equivalents | - | 973,000.00 |
| Others financial assets | 89,827.16 | 62,172.50 |
| Total | 2,497,158.63 | 2,464,994.90 |

(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, 2022 or March 31, 2021 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 2022, the company had a working capital of ₹ 32,94,496.38 thousand (Previous year ₹ 24,88,003.59 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 ₹ 1,27,320.90 thousand (Previous year ₹ 2,49,633.33 thousand) as against the total current liabilities of ₹ 46,524.05 thousand (Previous year ₹ 94,704.27 thousand) which clearly establishes very strong liquidity position of the company.

The maturity analysis of the financial liabilities of the company as at 31.03.2022 is given as below:

| Particulars | As at 31.03.2022 | | |
|-----------------------------|------------------|-----------------|-------------------|
| | Less than 1 Year | 1-2 Years | 2 Years and above |
| Lease liabilities | 1,092.96 | 1,207.41 | 874.40 |
| Trade Payables | - | - | - |
| Other financial liabilities | 3,026.30 | - | - |
| Total | 4,119.26 | 1,207.41 | 874.40 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

The maturity analysis of the financial liabilities of the company as at 31.03.2021 is given as below:

| Particulars | As at 31.03.2021 | | |
|-----------------------------|------------------|-----------------|-------------------|
| | Less than 1 Year | 1-2 Years | 2 Years and above |
| Lease liabilities | 2,416.74 | 1,167.99 | 122.31 |
| Trade Payables | 26,676.18 | - | - |
| Other financial liabilities | 2,519.51 | - | - |
| Total | 31,612.43 | 1,167.99 | 122.31 |

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 | 19,275.97 | 11,715.21 | 285.00 | 31,276.18 |
| Provision made during the year | - | - | - | - |
| 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 ADDITIONAL REGULATORY INFORMATION

- The company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- The company has no borrowing from banks or financial institutions on the basis of security of current assets.
- The company has not any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- Registration of charges or satisfaction with Registrar of Companies (ROC)**

The company has following open charges with Registrar of Companies(ROC) and there is no outstanding liability in respect of such charge. The company is taking all the possible steps in satisfaction of the charge and has submitted the indemnity bond with ROC for removal of the charge.

| Charge Holder Name | Charge ID | Date of Creation | Amount (₹ in thousands) | Address |
|---------------------------|-----------|------------------|-------------------------|----------------------------------|
| Industrial Finance Branch | 90179746 | 03/04/1996 | 90,000 | New Delhi DLIN |
| United Bank of India | 90177543 | 26/12/1994 | 137,900 | Phagwara PBIN |
| Syndicate Bank | 90177535 | 14/11/1994 | 75,000 | Dhanaura UPIN |
| Punjab & Sind Bank | 90179476 | 19/01/1994 | 50,000 | IBDSC INDIA House New Delhi DLIN |
| Punjab & Sind Bank | 90177456 | 19/01/1994 | 50,000 | IBDSC INDIA House New Delhi DLIN |

- The Company has no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43, 1961) during the year.
- 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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

been formed by the company as per the Act. The funds were allocated to a charitable institution for spending towards healthcare promotion as covered under activities specified in Schedule VII of the Companies Act, 2013.

| S. No | Particulars | As at 31.03.2022 | As at 31.03.2021 |
|-------|--|----------------------|--|
| 1. | Corporate Social Responsibility (CSR) When the company is covered under section 135 disclosure of : | | |
| a. | Amount required to be spent during the year | 2348.44 | 1725.63 |
| b. | Amount of expenditure incurred | 2500.00 | 18400.00 |
| c. | Shortfall at the end of the year | - | - |
| d. | Total of previous years shortfall | - | - |
| e. | Reason for shortfall | - | - |
| f. | Nature of CSR activities | Healthcare promotion | Free education to the deprived Section |
| g. | details of related party transactions, - contribution to trust controlled by Co as per AS | 2,500.00 | 0 |
| h. | Where a provision is made w.r.t liability incurred, the movement in provision during the year should be shown separately. | - | - |
| 2. | Whether the company has transferred the unspent amount, if any, to a fund specified in Schedule VII within a period of 6 months in respect of other than any ongoing projects. | NA | NA |
| | Whether the company has transferred the unspent amount, if any, to a fund specified in Schedule VII in respect of any ongoing projects. | NA | NA |

(vii) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(viii) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) No funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(x) **Ratios**

The following are analytical ratios for the year ended March 31,2022 and March 31,2021

| Particulars | Numerator | Denominator | 31 st March 2022 | 31 st March 2021 | Variance | Remarks |
|-------------------------------------|---------------------------------------|------------------------------|--------------------------------|--------------------------------|----------|---------------------------------------|
| a. Current Ratio | Current assets | Current liabilities | 71.81 | 27.27 | 163.33 | Due to increase in cash |
| b. Debt-Equity Ratio | Total debt* | Shareholder's equity | - | - | - | - |
| c. Debt Service Coverage Ratio | Earnings available for debt service** | Debt Service | 13.71 | 27.00 | (49.24) | Due to decrease in profit |
| d. Return on Equity Ratio | Net Profits after taxes | Average shareholder's equity | 0.46% | 0.92% | (50.26) | Due to decrease in profit |
| e. Inventory turnover ratio | Cost of Goods sold or Sales | Average Inventory | 0.17 | 0.45 | (62.34) | Due to decreases in sales |
| f. Trade Receivables turnover ratio | Net credit sales | Average accounts receivable | 0.29 | 3.35 | (91.31) | Due to substantial decrease in credit |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| | | | | | | | |
|----|-------------------------------|-----------------------------------|-----------------------------------|-------|-------|----------|---|
| g. | Trade payables turnover ratio | Net credit purchases | Average trade payables | 0.00 | 0.61 | (100.00) | Due to no purchase on credit terms |
| h. | Net capital turnover ratio | Net sales | Working capital | 0.03 | 0.12 | (71.56) | Due to substantial decrease in sales |
| i. | Net profit ratio | Net Profit after tax | Net sales | 25% | 18% | 32.96 | Due to decrease in net sales |
| j. | Return on Capital employed | Earning before interest and taxes | Capital Employed*** | 0.56% | 1.88% | (70.34) | Due to decrease in profit |
| k. | Return on investment | | | | | | |
| | Quoted | | | | | | |
| | - Equity Instruments | Income from Investment | Time weighted average investments | - | - | - | - |
| | Unquoted | | | | | | |
| | - Mutual Funds | Income from Investment | Time weighted average investments | 3.57% | 3.80% | (5.95) | Due to less volume of sales transaction |
| | - Equity Instruments | Income from Investment | Time weighted average investments | - | - | - | - |

* Debt Represents only lease liabilities

** Net profit after tax + depreciation+ interest

*** Total debt +Net worth

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, 2022 and March 31, 2021 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) For the financial years ended 31-3-21 and 31-3-22, company is not meeting the 50:50 test for determining financial activity as a principal business and is not covered under the definition of NBFC. Moreover, all the directions and compliances of Reserve Bank of India in relation to seek exemption and disclosure requirements as applicable to a NBFC for financial years ended 31-3-19 and 31-3-20 had been duly complied with.

As per our report of even date attached

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

Alok Dhandhanian
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXDUW1009

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 : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

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

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, 2022, 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, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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 opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 46(iv) of the financial statements, which describes the non applicability of NBFC as for the financial years ended 31-3-21 and 31-3-22, company is not meeting the 50:50 test for determining financial activity as a principal business and is not covered under the definition of NBFC.

Our opinion is not modified in respect of this matter.

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 our 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.

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law 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) 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, 2022 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, 2022 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.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"),

with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has neither declared nor paid any dividend during the year, therefore reporting under rule 11 (f) is not applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its associate included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Agarwal & Dhandhanania
Chartered Accountants
Firm's Registration No. 125756W

CA Alok Dhandhanania
(Partner)
Membership No. 111062
Place of Signature : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXEDW3824

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, 2022

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, 2022 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, 2022, 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 & Dhandhan**
Chartered Accountants
Firm's Registration No. 125756W

CA Alok Dhandhan
(Partner)
Membership No. 111062
Place of Signature : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXEDW3824

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

(₹ in thousand)

| Particulars | Note No. | As at 31.03.2022 | As at 31.03.2021 |
|--|----------|---------------------|---------------------|
| I. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant and Equipment | 3 | 46,438.41 | 48,177.76 |
| (b) Investment Property | 4 | 23,257.21 | 23,625.35 |
| (c) Right-of-use assets | 36 | 2,867.03 | 2,236.32 |
| (d) Investment in associate | 5 | 4,511,710.52 | 4,345,893.11 |
| (e) Financial Assets | | | |
| (i) Investments | 6 | 129,629.96 | 129,629.96 |
| (ii) Loans | 7 | 111.62 | 777,651.70 |
| (iii) Other financial assets | 8 | 1,007.30 | 1,007.30 |
| (f) Deferred Tax Assets (net) | 9 | 59,490.37 | 55,520.78 |
| (g) Income Tax Assets (net) | | 14,666.58 | 16,667.47 |
| (h) Other non-current assets | 10 | 6,649.46 | 7,867.34 |
| | | 4,795,828.46 | 5,408,277.09 |
| (2) Current assets | | | |
| (a) Inventories | 11 | 648,885.17 | 648,885.17 |
| (b) Financial Assets | | | |
| (i) Investments | 12 | 20,794.70 | 34,929.70 |
| (ii) Trade Receivables | 13 | 2,408.38 | 203,395.55 |
| (iii) Cash and cash equivalents | 14 | 1,874,117.83 | 11,308.08 |
| (iv) Bank Balances other than cash and cash equivalents | 15 | - | 973,000.00 |
| (v) Loans | 16 | 379,261.68 | 271,900.11 |
| (vi) Other financial assets | 17 | 89,827.16 | 62,172.50 |
| (c) Other current assets | 18 | 325,725.52 | 377,116.75 |
| | | 3,341,020.44 | 2,582,707.86 |
| Total Assets | | 8,136,848.90 | 7,990,984.95 |
| II. EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share capital | 19 | 1,342,347.76 | 1,342,347.76 |
| (b) Other equity | 20 | 6,742,279.97 | 6,550,630.67 |
| | | 8,084,627.73 | 7,892,978.43 |
| Liabilities | | | |
| (2) Non-current liabilities | | | |
| (a) Lease liabilities | 36 | 2,081.81 | 1,290.30 |
| (b) Provisions | 21 | 3,615.32 | 2,011.95 |
| | | 5,697.13 | 3,302.25 |
| (3) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Trade Payable | 22 | - | - |
| Total outstanding dues of micro enterprises and small enterprises | | - | 26,676.18 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | - | 2,519.51 |
| (ii) Other financial liabilities | 23 | 3,026.30 | 2,416.74 |
| (b) Lease liabilities | 36 | 1,092.96 | 55,652.42 |
| (c) Other current liabilities | 24 | 33,812.74 | 7,439.42 |
| (d) Provisions | 25 | 8,592.04 | |
| | | 46,524.04 | 94,704.27 |
| Total Equity and Liabilities | | 8,136,848.90 | 7,990,984.95 |

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

Alok Dhandhanian
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXEDW3824

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(₹ in thousand)

| Particulars | Note No. | Year Ended 31.03.2022 | Year Ended 31.03.2021 |
|--|----------|--------------------------|--------------------------|
| I Revenue from operations | 26 | 110,213.47 | 292,668.95 |
| II Other income | 27 | 126,562.95 | 222,448.69 |
| III Total Income (I+II) | | 236,776.42 | 515,117.64 |
| IV Expenses: | | | |
| Purchases of stock-in-trade | 28 | 109,129.56 | 289,674.19 |
| Employee benefits expense | 29 | 23,581.09 | 20,213.92 |
| Finance costs | 30 | 957.96 | 816.07 |
| Depreciation and amortisation expense | 31 | 3,623.26 | 3,638.65 |
| Other expenses | 32 | 67,168.70 | 89,888.99 |
| Total expenses (IV) | | 204,460.57 | 404,231.82 |
| V Profit before tax (III-IV) | | 32,315.85 | 110,885.82 |
| VI Tax expense: | 33 | | |
| - Current tax | | 9,231.34 | 58,839.58 |
| - Deferred tax | | (3,969.59) | (1,985.40) |
| VII Profit/(Loss) for the year after tax but before share of net profit of associate accounted for using the equity method (V-VI) | | 27,054.10 | 54,031.64 |
| VIII Share of net profit of associate accounted for using the equity method | | 163,878.68 | 177,978.22 |
| IX Profit for the year after tax (VII+VIII) | | 190,932.78 | 232,009.86 |
| 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 | | - | (578.06) |
| - Net Gain/(loss) on remeasurement of defined benefit plan | | (1,222.21) | 250.88 |
| - Share of other comprehensive income/(loss) of associate accounted for using equity method | | 1,938.73 | 1,476.57 |
| - Income tax relating to these items | | - | - |
| Total Other Comprehensive Income/(Loss) | | 716.52 | 1,149.39 |
| XI Total Comprehensive income/(loss) for the year (IX+X) | | 191,649.30 | 233,159.25 |
| XII Profit/(Loss) for the year attributable to: | | | |
| - Owners of the Company | | 190,932.78 | 232,009.86 |
| - Non-controlling interests | | - | - |
| XIII Other comprehensive income/(loss) for the year attributable to | | | |
| - Owners of the Company | | 716.52 | 1,149.39 |
| - Non-controlling interests | | - | - |
| XIV Total comprehensive income for the year attributable to | | | |
| - Owners of the Company | | 191,649.30 | 233,159.25 |
| - Non-controlling interests | | - | - |
| XV Earnings per equity share (Face Value of ₹ 10/- each) | 34 | | |
| Basic/Diluted | | 1.42 | 1.73 |
| 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 & Dhandhanian
 Chartered Accountants
 (Firm Registration No. 125756W)

 Alok Dhandhanian
 Partner
 Membership No. 111062

 Place : New Delhi
 Date : 30.05.2022
 UDIN : 22111062AJXEDW3824

 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 : 30.05.2022

 Parveen Chopra
 Chief Financial Officer
 Place : New Delhi
 Date : 30.05.2022

 Anil Bhalla
 Director
 DIN : 00587533
 Place : New Delhi
 Date : 30.05.2022

 Anjali Aggarwal
 Company Secretary
 Place : New Delhi
 Date : 30.05.2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(₹ in thousand)

| Particulars | Year Ended 31.03.2022 | Year Ended 31.03.2021 |
|---|--------------------------|--------------------------|
| I. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 32,315.85 | 110,885.82 |
| Adjustments for: | | |
| - Depreciation and amortisation expense | 3,623.26 | 3,638.65 |
| - Finance costs | 957.96 | 816.07 |
| - Interest income on financial assets at amortised cost at EIR | (124,171.99) | (212,642.21) |
| - Net gain on financial assets carried at FVTPL | (865.01) | (6,511.42) |
| - Rental Income on investment property | (1,525.42) | (1,525.42) |
| - Provision for doubtful debts | 678.54 | 176.24 |
| - Movement in provision for employee benefits expense | 936.46 | 696.23 |
| Operating profit before working capital changes and tax | (88,050.35) | (104,466.04) |
| Adjustments for changes in working capital: | | |
| - (Increase)/Decrease in non financial assets | 49,772.11 | (293,351.04) |
| - (Increase)/Decrease in current and non-current financial assets | 178.51 | (285.81) |
| - Increase/(Decrease) in other current liabilities | (21,839.68) | 22,594.69 |
| - Increase/(Decrease) in other Financial Asset | (40,960.10) | |
| - (Increase)/Decrease in Trade receivable | 200,308.63 | (61,852.21) |
| - Increase/(Decrease) in Trade Payables and other current financial liabilities | (26,169.39) | (144,947.45) |
| Cash generated from operations before tax | 73,239.73 | (582,307.86) |
| - Income Taxes (Payment)/Refund | (7,230.45) | (51,521.70) |
| Net cash from/(used in) operating activities | 66,009.28 | (633,829.56) |
| II. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| - Movement in advance for Capital Asset | 2,837.00 | (1,685.00) |
| - Purchase of property, plant and equipment | (2,146.48) | |
| - Sale of current investments | 15,000.00 | 205,000.00 |
| - Repayment of intercorporate loans | 670,000.00 | 875,500.00 |
| - Movement in Fixed Deposits | 973,000.00 | (973,000.00) |
| - Rent Received | 1,525.42 | 1,525.42 |
| - Interest Received | 137,477.43 | 213,204.84 |
| Net cash from/(used in) investing activities | 1,797,693.37 | 320,545.26 |
| III. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| - Payment of Lease liabilities | (892.90) | (1,316.25) |
| - Payment of finance cost | - | (3.17) |
| Net cash generated from/(used in) financing activities | (892.90) | (1,319.42) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III) | 1,862,809.75 | (314,603.72) |
| Cash and cash equivalents at the beginning of the year | 11,308.08 | 325,911.80 |
| Cash and cash equivalents at the end of the year | 1,874,117.83 | 11,308.08 |
| IV. Components of Cash and cash equivalents as per Note 14 | | |
| Balances with banks | | |
| -in Current Account | 103,484.93 | 10,625.24 |
| Cash on hand | 632.90 | 682.84 |
| Fixed Deposits with banks (with maturity of 3 months or less) | 1,770,000.00 | - |
| Total | 1,874,117.83 | 11,308.08 |

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

Alok Dhandhanian
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXEDW3824

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in ₹ thousand unless otherwise stated)

A. EQUITY SHARE CAPITAL

(1) For the year ended as on March 31, 2022

| Balance as at April 1, 2021 | Changes in Equity Share Capital due to prior period errors | Restated balance as at April 1, 2021 | Changes in Equity Share capital during year | Balance as at March 31, 2022 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 1,342,347.76 | - | 1,342,347.76 | - | 1,342,347.76 |

(2) For the year ended as on March 31, 2021

| Balance as at April 1, 2020 | Changes in Equity Share Capital due to prior period errors | Restated balance as at April 1, 2020 | Changes in Equity Share capital during year | Balance as at March 31, 2021 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 1,342,347.76 | - | 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 | Remeasurement of defined benefit plan | Fair value gain/(loss) on equity instruments through OCI | |
| Balance as at April 1, 2020 | 4,464,882.64 | 1,500.00 | 318,976.09 | 1,686,741.41 | (6,155.82) | (148,472.90) | 6,317,471.42 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - | - |
| Restated balance as at April 1, 2020 | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | 54,031.64 | - | - | 54,031.64 |
| Dividends | - | - | - | - | - | - | - |
| Share of net profit of associate accounted for using the equity method for 2020-21 | - | - | - | 177,978.22 | - | - | 177,978.22 |
| Other comprehensive income for the year 2020-21 | - | - | - | - | 250.88 | (578.06) | (327.18) |
| Share of other comprehensive income/(loss) of associate accounted for using equity method for 2020-21 | - | - | - | - | 1,474.17 | 2.40 | 1,476.57 |
| Balance as at March 31, 2021 | 4,464,882.64 | 1,500.00 | 318,976.09 | 1,918,751.27 | (4,430.77) | (149,048.56) | 6,550,630.67 |
| Balance as at April 1, 2021 | 4,464,882.64 | 1,500.00 | 318,976.09 | 1,918,751.27 | (4,430.77) | (149,048.56) | 6,550,630.67 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - | - |
| Restated balance as at April 1, 2021 | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | 27,054.10 | - | - | 27,054.10 |
| Share of net profit of associate accounted for using the equity method for 2021-22 | - | - | - | 163,878.68 | - | - | 163,878.68 |
| Other comprehensive income for the year 2021-22 | - | - | - | - | (1,222.21) | - | (1,222.21) |
| Share of other comprehensive income/(loss) of associate accounted for using equity method for 2021-22 | - | - | - | - | 1,880.51 | 58.22 | 1,938.73 |
| Balance as at March 31, 2022 | 4,464,882.64 | 1,500.00 | 318,976.09 | 2,109,684.05 | (3,772.47) | (148,990.34) | 6,742,279.97 |

Significant Accounting Policies and Notes form an Integral Part of Consolidated Financial Statement

As per our report of even date attached

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

Alok Dhandhanias
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXEDW3824

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place : New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place : New Delhi
Date : 30.05.2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022 (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 May 30, 2022. 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 ongoing pandemic relating to COVID-19 on the carrying amounts of real estate advances, 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 group had no major impact of COVID-19 in FY 21-22 and further estimates to have no major impact of COVID-19 on

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 note:

- 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 and other eligible current and non-current financial assets.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

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

- Trade payables
- Other eligible financial liabilities

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

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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

Derecognition of financial liabilities

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

iii) Off setting of financial assets and financial liabilities:

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

iv) Reclassification of financial assets

The group determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets or financial liabilities that are specifically designated at FVTPL. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the group's operations. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of immediately next reporting period following the change in business model.

The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

B. Inventories

Inventories are valued as under:

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

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

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

C. Property, Plant and Equipment

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

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

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

Subsequent costs

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

Depreciation

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

Depreciation on tangible assets in relation to Project at Chembur, 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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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. 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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 group 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 group 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.

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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 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, 2022

| Particulars | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|----------------------|-----------------------|---------------|-------------------------------|---------------------|--------------------------|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2021 | Additions | Disposal/ Adjust- ments | As at 31.03.2022 | As at 1.04.2021 | For the year | Adjust- ments During the Year | As at 31.03.2022 | As at 31.03.2022 | As At 31.03.2021 |
| Land | | | | | | | | | | |
| -Freehold | 11,356.81 | - | - | 11,356.81 | - | - | - | - | 11,356.81 | 11,356.81 |
| Buildings | | | | | | | | | | |
| -Freehold | 34,674.65 | - | - | 34,674.65 | 5,229.30 | 871.55 | - | 6,100.85 | 28,573.80 | 29,445.35 |
| Plant & Equipments | 1,833.38 | 228.13 | - | 2,061.51 | 1,047.10 | 186.22 | - | 1,233.32 | 828.19 | 786.28 |
| Furniture & Fixtures | 140.03 | - | - | 140.03 | 116.80 | 0.93 | - | 117.73 | 22.30 | 23.23 |
| Vehicles | 9,717.38 | - | - | 9,717.38 | 3,377.85 | 1,067.59 | - | 4,445.44 | 5,271.94 | 6,339.53 |
| Office Equipment | 344.65 | 212.50 | - | 557.15 | 139.28 | 53.69 | - | 192.97 | 364.18 | 205.37 |
| Others | | | | | | | | | | |
| -Computers | 21.47 | - | - | 21.47 | 0.28 | - | - | 0.28 | 21.19 | 21.19 |
| Total | 58,088.37 | 440.63 | - | 58,529.00 | 9,910.61 | 2,179.98 | - | 12,090.59 | 46,438.41 | 48,177.76 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

The following table shows changes in Property, Plant and Equipment during the year ended 31st March, 2021

| Particulars | Gross carrying amount | | | | Accumulated Depreciation | | | | Net carrying amount | |
|----------------------|-----------------------|--------------|-------------------------------|---------------------|--------------------------|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2020 | Additions | Disposal/ Adjust- ments | As at 31.03.2021 | As at 1.04.2020 | For the year | Adjust- ments During the Year | As at 31.03.2021 | As at 31.03.2021 | As At 31.03.2020 |
| Land | | | | | | | | | | |
| -Freehold | 11,356.81 | - | - | 11,356.81 | - | - | - | - | 11,356.81 | 11,356.81 |
| Buildings | | | | | | | | | | |
| -Freehold | 34,674.65 | - | - | 34,674.65 | 4,357.75 | 871.55 | - | 5,229.30 | 29,445.35 | 30,316.90 |
| Plant & Equipments | 1,833.38 | - | - | 1,833.38 | 859.80 | 187.30 | - | 1,047.10 | 786.28 | 973.58 |
| Furniture & Fixtures | 140.03 | - | - | 140.03 | 107.39 | 9.41 | - | 116.80 | 23.23 | 32.64 |
| Vehicles | 9,717.38 | - | - | 9,717.38 | 2,310.26 | 1,067.59 | - | 3,377.85 | 6,339.53 | 7,407.12 |
| Office Equipment | 316.65 | 28.00 | - | 344.65 | 122.78 | 16.50 | - | 139.28 | 205.37 | 193.87 |
| Others | | | | | | | | | | |
| -Computers | 21.47 | - | - | 21.47 | 0.28 | - | - | 0.28 | 21.19 | 21.19 |
| Total | 58,060.37 | 28.00 | - | 58,088.37 | 7,758.26 | 2,152.35 | | 9,910.61 | 48,177.76 | 50,302.11 |

4 INVESTMENT PROPERTY

The following table shows changes in investment property during the year ended 31st March, 2022

| Particulars | Gross carrying amount | | | | Accumulated Depreciation/Amortisation | | | | Net carrying amount | |
|------------------|-----------------------|-----------|-------------------------------|---------------------|---------------------------------------|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2021 | Additions | Disposal/ Adjust- ments | As at 31.03.2022 | As at 1.04.2021 | For the year | Adjust- ments During the Year | As at 31.03.2022 | As at 31.03.2022 | As At 31.03.2021 |
| Land | | | | | | | | | | |
| -Leasehold | 293.24 | - | - | 293.24 | 26.52 | 4.42 | - | 30.94 | 262.30 | 266.72 |
| -Freehold | 3,088.24 | - | - | 3,088.24 | - | - | - | - | 3,088.24 | 3,088.24 |
| Buildings | | | | | | | | | | |
| -Freehold | 22,452.71 | - | - | 22,452.71 | 2,182.32 | 363.72 | - | 2,546.04 | 19,906.67 | 20,270.39 |
| Total | 25,834.19 | - | - | 25,834.19 | 2,208.84 | 368.14 | - | 2,576.98 | 23,257.21 | 23,625.35 |

The following table shows changes in investment property during the year ended 31st March, 2021

| Particulars | Gross carrying amount | | | | Accumulated Depreciation /Amortisation | | | | Net carrying amount | |
|------------------|-----------------------|-----------|-------------------------------|---------------------|--|-----------------|--|---------------------|---------------------|---------------------|
| | As at 1.04.2020 | Additions | Disposal/ Adjust- ments | As at 31.03.2021 | As at 1.04.2020 | For the year | Adjust- ments During the Year | As at 31.03.2021 | As at 31.03.2021 | As At 31.03.2020 |
| Land | | | | | | | | | | |
| -Leasehold | 293.24 | - | - | 293.24 | 22.10 | 4.42 | - | 26.52 | 266.72 | 271.14 |
| -Freehold | 3,088.24 | - | - | 3,088.24 | - | - | - | - | 3,088.24 | 3,088.24 |
| Buildings | | | | | | | | | | |
| -Freehold | 22,452.71 | - | - | 22,452.71 | 1,818.60 | 363.72 | - | 2,182.32 | 20,270.39 | 20,634.11 |
| Total | 25,834.19 | - | - | 25,834.19 | 1,840.70 | 368.14 | - | 2,208.84 | 23,625.35 | 23,993.49 |

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 31.03.2022 | For the year Ended 31.03.2021 |
|---|----------------------------------|----------------------------------|
| Rental income | 1,525.42 | 1,525.42 |
| Direct operating expenses for property that generated rental income | 750.56 | 556.57 |
| Direct operating expenses for property that did not generate rental income | 2,551.39 | 2,572.62 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(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 ₹ 262.30 thousand (previous year ₹ 266.72 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 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 | 1,525.42 |
| later than one year but not later than 5 years | 6,101.69 | 6,101.69 |
| later than 5 years | 29,618.64 | 31,144.07 |

(iv) Fair Value of investment property

| | As at 31-03-2022 | As at 31-03-2021 |
|-----------------------|------------------|------------------|
| Investment properties | 259,720.85 | 246,780.00 |

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 as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, 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.

5 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Interest in other entities

(a) Interest in associate

| 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 31.03.2022 | As at 31.03.2021 | As at 31.03.2022 | As at 31.03.2021 |
| Oswal Greentech Limited | 4,511,710.52 | 4,345,893.11 | 2,097,267.46 | 1,635,777.23 |

Aggregate amount of quoted investments 4,511,710.52 4,345,893.11

Aggregate market value of quoted investments 2,097,267.46 1,635,777.23

Aggregate amount of un-quoted investments - -

Aggregate amount of impairment in value of investments - -

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

(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 | |
|---|-------------------------|---------------|
| | 31.03.2022 | 31.03.2021 |
| Current Assets | 5,592,053.65 | 10,487,300.36 |
| Non Current Assets | 19,698,608.60 | 14,419,786.16 |
| Current Liabilities | 376,840.60 | 473,957.80 |
| Non Current Liabilities | 79,219.11 | 64,508.00 |
| Net Assets (Total Assets minus total liabilities) | 24,834,602.54 | 24,368,620.72 |
| Revenue | 1,057,337.80 | 1,147,587.49 |
| Profit/(loss) after tax | 460,533.58 | 500,156.86 |
| Other Comprehensive income | 5,448.24 | 4,150.00 |
| Total Comprehensive income | 465,981.82 | 504,306.86 |

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

| Particulars | Oswal Greentech Limited | |
|---|-------------------------|---------------|
| | 31.03.2022 | 31.03.2021 |
| Opening net assets | 24,368,620.72 | 23,864,313.86 |
| Profit for the year | 460,533.58 | 500,156.86 |
| Other comprehensive income | 5,448.24 | 4,150.00 |
| Closing net assets | 24,834,602.54 | 24,368,620.72 |
| Group's share in % | 35.58% | 35.58% |
| Group's share in ₹ thousands | 8,837,264.10 | 8,671,446.70 |
| Less: proportion of pre-acquisition net worth | 4,325,553.59 | 4,325,553.59 |
| Carrying amount of investment | 4,511,710.52 | 4,345,893.11 |

FINANCIAL ASSETS

| 6 | INVESTMENTS | As at | As at |
|----------------|---|-------------------|-------------------|
| | | 31.03.2022 | 31.03.2021 |
| | 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, 2021: 1,44,51,500) of ₹ 10/- each fully paid | 129,629.96 | 129,629.96 |
| | Total | 129,629.96 | 129,629.96 |
| | Aggregate amount and market value of quoted investments | - | - |
| | Aggregate amount of un-quoted investments | 129,629.96 | 129,629.96 |
| | Aggregate amount of impairment in value of investments | - | - |
| 7 LOANS | | | |
| | <u>(Unsecured, considered good)</u> | | |
| | Other loans | | |
| | - Inter corporate deposits | - | 777,500.00 |
| | - Loan to employees | 111.62 | 151.70 |
| | Total | 111.62 | 777,651.70 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| 8 OTHER FINANCIAL ASSETS | As at 31.03.2022 | As at 31.03.2021 |
|---|---------------------|---------------------|
| <u>(Unsecured, considered doubtful)</u> | | |
| Security deposits | 1,007.30 | 1,007.30 |
| Bank Deposits with more than 12 months maturity | 33,409.46 | 33,409.46 |
| Less: Allowance for credit losses* | (33,409.46) | (33,409.46) |
| Total | 1,007.30 | 1,007.30 |

*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 31.03.2022 | As at 31.03.2021 |
|---|---------------------|---------------------|
| Deferred Tax Liabilities | | |
| Mutual Funds measured at FVTPL | 529.05 | 625.36 |
| | 529.05 | 625.36 |
| Deferred Tax Assets | | |
| Employee benefits expense | (3,059.11) | (2,378.72) |
| Property, Plant and Equipment and Investment Property | (13,783.15) | (12,660.70) |
| Deductible capital losses under Income Tax Act, 1961 on sale of investments | (37,961.48) | (36,083.90) |
| Lease liabilities | (77.45) | (55.87) |
| Other timing differences | (5,138.23) | (4,966.95) |
| | (60,019.42) | (56,146.14) |
| Net Deferred Tax (Assets)/Liabilities recognised in Balance Sheet | (59,490.37) | (55,520.78) |

(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, 2020 | 2,321.70 | (2,135.72) | (11,861.85) | (36,896.37) | (40.54) | (4,922.60) | (53,535.38) |
| Charged/(Credited) to Profit or Loss in 2020-21 | (1,696.34) | (243.00) | (798.85) | 812.47 | (15.33) | (44.35) | (1,985.40) |
| Charged/(Credited) to Other Comprehensive Income in 2020-21 | - | - | - | - | - | - | - |
| Impact on account of IND AS 116 | - | - | - | - | - | - | - |
| Balance as at March 31, 2021 | 625.36 | (2,378.72) | (12,660.70) | (36,083.90) | (55.87) | (4,966.95) | (55,520.78) |
| Charged/(Credited) to Profit or Loss in 2021-22 | (96.31) | (680.39) | (1,122.45) | (1,877.58) | (21.58) | (171.28) | (3,969.59) |
| Charged/(Credited) to Other Comprehensive Income in 2021-22 | - | - | - | - | - | - | - |
| Balance as at March 31, 2022 | 529.05 | (3,059.11) | (13,783.15) | (37,961.48) | (77.45) | (5,138.23) | (59,490.37) |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 |
|--|--------------------------|--------------------------|
| Accounting profit/(loss) before tax expense | 32,315.85 | 110,885.82 |
| Enacted tax rates in India | 25.17% | 25.17% |
| Taxed at India's statutory income tax rate | 8,133.25 | 27,909.40 |
| Effect of: | | |
| Non deductible expense | (993.92) | 5,802.73 |
| Income tax for earlier years | - | 22,329.58 |
| DTA on capital losses | (1,877.58) | 812.47 |
| Income tax expense recognised in Statement of Profit and Loss | 5,261.75 | 56,854.18 |

- (d) The tax rates under Indian Income Tax Act, 1961 for financial year 2021-22 is 25.17% (Previous year 2020-21 is 25.17%)

- (e) Unrecognised temporary differences

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|---------------------|---------------------|
| i) The amount of deductible temporary differences on investments in equity shares for which no deferred tax asset is recognised | 858,315.98 | 808,451.20 |
| 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* | 38,874.75 | 47,080.95 |
| Potential tax benefit @ 22.88% (P.Y. 22.88%) | 205,277.24 | 195,745.76 |

* 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 | As at 31.03.2022 | As at 31.03.2021 |
|-----------------------------|---------------------|---------------------|
| Capital advances | - | 2,837.00 |
| Others | | |
| -Input credit receivable | 6,649.46 | 5,030.34 |
| Total | 6,649.46 | 7,867.34 |

CURRENT ASSETS

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

FINANCIAL ASSETS

| 12 INVESTMENTS | | |
|---|------------------|------------------|
| Investments at fair value through profit or loss (FVTPL) | | |
| Investment in Mutual Funds (Unquoted) | | |
| 5434.7530 units (31st March, 2021 9,433.146 units) of LIC MF-liquid fund- Growth Plan | 20,794.70 | 34,929.70 |
| Total | 20,794.70 | 34,929.70 |
| (a) Aggregate amount and market value of quoted investments | - | - |
| (b) Aggregate amount of unquoted investments | 20,794.70 | 34,929.70 |
| (c) Aggregate amount of impairment in value of investments | - | - |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| 13 | TRADE RECEIVABLES | As at 31.03.2022 | As at 31.03.2021 |
|----|---|---------------------|---------------------|
| | Trade receivable Considered good - Secured | - | - |
| | Trade receivable Considered good - Unsecured | 2,408.38 | 203,395.55 |
| | Trade receivable which have Significant increase in Credit Risk | 848.17 | 169.63 |
| | Trade receivable - Credit Impaired | - | - |
| | | 3,256.55 | 203,565.18 |
| | Less: Allowance for expected credit losses | (848.17) | (169.63) |
| | | 2,408.38 | 203,395.55 |
| | Total | 2,408.38 | 203,395.55 |

Trade receivables ageing Schedule for the year ended as on March 31,2022 and March 31 ,2021

For the year ended as on March 31,2022

| Particulars | | Outstanding for following periods from due date of payments | | | | | | Total |
|-------------|---|---|--------------------|-------------------|-----------|-----------|-------------------|-----------------|
| | | Not due | Less than 6 months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) | Undisputed Trade Receivables – considered good Unsecured | - | - | - | - | 2,408.38 | - | 2,408.38 |
| (ii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | 848.17 | - | 848.17 |
| (iii) | Undisputed Trade Receivables credit impaired | - | - | - | - | - | - | - |
| (iv) | Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) | Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| | Less : Allowances for credit loss | - | - | - | - | (848.17) | - | (848.17) |
| | Total Trade Receivable | - | - | - | - | - | - | 2,408.38 |

For the year ended as on March 31,2021

| Particulars | | Outstanding for following periods from due date of payments | | | | | | Total |
|-------------|---|---|--------------------|-------------------|-----------|-----------|-------------------|-------------------|
| | | Not due | Less than 6 months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) | Undisputed Trade Receivables considered good-Unsecured | - | 200,172.53 | - | 3,223.02 | - | - | 203,395.55 |
| (ii) | Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | 169.63 | - | - | 169.63 |
| (iii) | Undisputed Trade Receivables credit impaired | - | - | - | - | - | - | - |
| (iv) | Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) | Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) | Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| | Less : Allowances for credit loss | - | - | - | (169.63) | - | - | (169.63) |
| | Total Trade Receivable | - | - | - | - | - | - | 203,395.55 |

Movements in Expected Credit Losses Allowance is as below:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------------|----------------------------|
| Balance at the beginning of the year | 169.63 | - |
| Charge in the Statement of Profit & Loss | 678.54 | 169.63 |
| Utilized during the year | - | - |
| Balance at the end of the year | 848.17 | 169.63 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| 14 | CASH AND CASH EQUIVALENTS | As at 31.03.2022 | As at 31.03.2021 |
|------------------------|---|---------------------|---------------------|
| | Balances with banks | | |
| | - in current account | 103,491.54 | 10,631.85 |
| | Less: Provision for doubtful bank balances | (6.61) | (6.61) |
| | | 103,484.93 | 10,625.24 |
| | Cash on hand | 632.90 | 682.84 |
| | Cheques in hand | - | - |
| | Fixed Deposits with banks (with maturity of 3 months or less) | 1,770,000.00 | - |
| | Total | 1,874,117.83 | 11,308.08 |
| 15 | BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS | | |
| | Fixed Deposits with banks (with maturity more than 3 months and upto 12 months) | - | 973,000.00 |
| | Total | - | 973,000.00 |
| 16 | LOANS | | |
| | (Unsecured, considered good) | | |
| | Other loans | | |
| | - Inter corporate Deposits | 379,000.00 | 271,500.00 |
| | - Loan to employees | 261.68 | 400.11 |
| | Total | 379,261.68 | 271,900.11 |
| 17 | OTHER FINANCIAL ASSETS | | |
| | Interest receivable | 16,624.13 | 29,929.57 |
| | Lease receivable | 3,240.00 | 1,620.00 |
| | Advance to vendors | 69,963.03 | 30,622.93 |
| | Total | 89,827.16 | 62,172.50 |
| NON-FINANCIAL ASSETS | | | |
| 18 | OTHER CURRENT ASSETS | | |
| | Advances other than capital advances | | |
| | -Advance to vendors (Real Estate) | 325,000.00 | 375,000.00 |
| | Other advances | 725.52 | 2,116.75 |
| | Total | 325,725.52 | 377,116.75 |
| EQUITY AND LIABILITIES | | | |
| 19 | SHARE CAPITAL | | |
| | Authorized: | | |
| | 30,00,00,000 (31st March 2021: 30,00,00,000) Equity Shares of ₹ 10/- each | 3,000,000.00 | 3,000,000.00 |
| | 1,00,00,000 (31st March 2021: 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: | | |
| | 13,42,34,776 (31st March 2021: 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, 2020 | 134,234,776 | 1,342,347.76 |
| Add/(less): Issued/(redeemed) during the year | - | - |
| As at March 31, 2021 | 134,234,776 | 1,342,347.76 |
| Add/(less): Issued/(redeemed) during the year | - | - |
| As at March 31, 2022 | 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, 2022 | | |
| - Aruna Oswal | 56,026,460 | 41.74% |
| As at March 31, 2021 | | |
| - 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.

(d) Shareholding of promoters:

Shares held by promoters as on March 31, 2022

| Name of the Promoters | No. of shares | % of shares | % change during the year |
|-----------------------|---------------|-------------|--------------------------|
| Mrs. Aruna Oswal | 56,026,460 | 41.7377% | - |
| PC Media Systems Ltd. | 6,222 | 0.0046% | - |
| Oswal Greentech Ltd. | 1,000 | 0.0007% | - |

20 OTHER EQUITY

**As at
31.03.2022** **As at
31.03.2021**

(a) Reserve and Surplus

Securities Premium

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 1,918,751.27 1,686,741.41

Add: Profit/(loss) for the year 190,932.78 232,009.86

Balance at the end 2,109,684.05 1,918,751.27

Remeasurement of net defined benefit plan

Balance at the commencement of the year (4,430.77) (6,155.82)

Add: Additions/(Deletion) during the year 658.30 1,725.05

Balance at the end (3,772.47) (4,430.77)

(b) Other Components of Equity

Fair value gain/(loss) on equity instruments through OCI

Balance at the commencement of the year (149,048.56) (148,472.90)

Add: Additions/(Deletion) during the year 58.22 (575.66)

Balance at the end (148,990.34) (149,048.56)

Total (a+b) 6,742,279.97 6,550,630.67

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

NATURE AND PURPOSE OF COMPONENTS OF OTHER EQUITY:
Securities Premium

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.

NON-CURRENT LIABILITIES

| 21 | PROVISIONS | As at 31.03.2022 | As at 31.03.2021 |
|----|----------------------------------|---------------------|---------------------|
| | Provisions for employee benefits | 3,615.32 | 2,011.95 |
| | Total | 3,615.32 | 2,011.95 |

CURRENT LIABILITIES
FINANCIAL LIABILITIES

| 22 | TRADE PAYABLES | | |
|----|-----------------------|----------|------------------|
| | MSME | - | - |
| | Others | - | 26,676.18 |
| | Disputed dues- MSME | - | - |
| | Disputed dues- Others | - | - |
| | Total | - | 26,676.18 |

Trade payable ageing Schedule for the year ended as on March 31,2022 and March 31 ,2021

For the year ended as on March 31,2022

| Particulars | Outstanding for following periods from due date of payments | | | | | |
|-----------------------|---|---------------------|-----------|-----------|----------------------|-------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Disputed dues- MSME | - | - | - | - | - | - |
| Disputed dues- Others | - | - | - | - | - | - |

For the year ended as on March 31,2021

| Particulars | Outstanding for following periods from due date of payments | | | | | |
|-----------------------|---|---------------------|-----------|-----------|----------------------|-----------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | - | - | - | - | - | - |
| Others | - | 26,676.18 | - | - | - | 26,676.18 |
| Disputed dues- MSME | - | - | - | - | - | - |
| Disputed dues- Others | - | - | - | - | - | - |

| 23 | OTHER FINANCIAL LIABILITIES | As at 31.03.2022 | As at 31.03.2021 |
|----|-----------------------------|---------------------|---------------------|
| | Others | | |
| | -Creditors for expenses | 2,696.04 | 2,235.20 |
| | -Employee benefits payable | 330.26 | 284.31 |
| | Total | 3,026.30 | 2,519.51 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| | | | |
|---|---|----------------------------------|----------------------------------|
| NON-FINANCIAL LIABILITIES | | | |
| 24 | OTHER CURRENT LIABILITIES | As at 31.03.2022 | As at 31.03.2021 |
| | Others | | |
| | -Payable against litigations | 31,276.18 | 31,276.18 |
| | -Duties & taxes payable | 2,536.56 | 24,376.24 |
| | Total | 33,812.74 | 55,652.42 |
| 25 | PROVISIONS | | |
| | Provisions for employee benefits | 8,592.04 | 7,439.42 |
| | Total | 8,592.04 | 7,439.42 |
| NOTES RELATED TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS | | | |
| 26 | REVENUE FROM OPERATIONS | Year ended 31.03.2022 | Year ended 31.03.2021 |
| | Sale of Products | | |
| | -Fiber Cables | - | - |
| | -Commodities | 110,213.47 | 292,668.95 |
| | Other operating revenues | - | - |
| | Total | 110,213.47 | 292,668.95 |
| 27 | OTHER INCOME | | |
| | Interest income | | |
| | -Interest income at EIR (including interest on income tax refund) | 124,171.99 | 212,642.21 |
| | Other non operating income | | |
| | -Net gain on financial assets carried at FVTPL | 865.01 | 6,511.42 |
| | -Lease Income | 1,525.42 | 1,525.42 |
| | -Miscellaneous Income | 0.53 | 1,769.64 |
| | Total | 126,562.95 | 222,448.69 |
| 28 | PURCHASES OF STOCK IN TRADE | | |
| | Purchase of commodities | 109,129.56 | 289,674.19 |
| | Total | 109,129.56 | 289,674.19 |
| 29 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries and wages | 21,538.86 | 18,709.37 |
| | Contribution to provident and other funds | 1,605.42 | 1,276.32 |
| | Staff welfare expenses | 436.81 | 228.23 |
| | Total | 23,581.09 | 20,213.92 |
| 1) | Defined Contribution Plan: | Current year | Previous year |
| | Contribution to Provident fund | 1,501.85 | 1,192.77 |
| 2) | Defined Benefit plan: | | |
| | I. Gratuity | | |

The group 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 group 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.

- 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.
- 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.
- 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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

| Particulars | Gratuity (Unfunded) Year ended 31.03.2022 | Gratuity (Unfunded) Year ended 31.03.2021 |
|---|--|--|
| Recognised in profit and loss | | |
| Current service cost | 564.24 | 468.88 |
| Interest Cost | 438.41 | 388.07 |
| Past service cost including curtailment gains/losses | - | - |
| Total | 1,002.65 | 856.95 |
| Recognised in other comprehensive income | | |
| Actuarial Gain/(Loss) | 1,222.21 | 250.88 |
| Total | 1,222.21 | 250.88 |
| Expected contribution in the next year | 988.35 | 742.28 |
| Assumptions | | |
| Mortality rates inclusive of provision for disability | 100% of IALM (2012 - 14) | 100% of IALM (2012 - 14) |
| 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 | 6.80 | 6.32 |
| 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 |

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 31.03.2022 | Gratuity (Unfunded) For the year ended 31.03.2021 |
|--|---|---|
| Change in present benefit obligations | | |
| Present value of obligation as at the beginning of the Year | 6,936.80 | 6,330.73 |
| Interest Cost | 438.41 | 388.07 |
| Acquisition adjustment | - | - |
| Current service cost | 564.24 | 468.88 |
| Past Service Cost including curtailment gains/losses | - | - |
| Benefits Paid | (64.90) | - |
| Actuarial (Gain)/Loss - Experience Adjustment | 1,303.96 | (231.41) |
| Actuarial (Gain)/Loss - Demographic Assumptions | - | - |
| Actuarial (Gain)/Loss - Financial Assumptions | (81.75) | (19.47) |
| Present value of obligation as at the end of Year | 9,096.76 | 6,936.80 |
| Present value of obligation as at the end of Year- current | 6,466.58 | 5,758.60 |
| Present value of obligation as at the end of Year- non-current | 2,630.18 | 1,178.20 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| | | |
|---|----------|----------|
| 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 | 9,096.76 | 6,936.80 |
| Fair value of plan assets | - | - |
| Unfunded Liability/provision in Balance Sheet | 9,096.76 | 6,936.80 |
| Unfunded liability recognized in Balance Sheet | 9,096.76 | 6,936.80 |

Description of Risk Exposures:

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

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

Sensitivity Analysis

| Particulars | 31.03.2022 | 31.03.2021 |
|--|------------|------------|
| a) Impact of the change in discount rate | | |
| Present Value of Obligation at the end of the period | 9,096.76 | 6,936.80 |
| a) Impact due to increase of 0.50% | (81.88) | (49.32) |
| b) Impact due to decrease of 0.50% | 86.85 | 53.54 |
| b) Impact of the change in salary increase | | |
| Present Value of Obligation at the end of the period | 9,096.76 | 6,936.80 |
| a) Impact due to increase of 0.50% | 87.11 | 53.44 |
| b) Impact due to decrease of 0.50% | (82.86) | (49.68) |

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 | 31.03.2022 |
| April 2022- March 2023 | 6,466.57 |
| April 2023- March 2024 | 333.74 |
| April 2024- March 2025 | 551.55 |
| April 2025- March 2026 | 282.47 |
| April 2026- March 2027 | 212.94 |
| April 2027- March 2028 | 22.49 |
| April 2028 onwards | 1,227.00 |

| | | | |
|-----------|--|----------------------------------|----------------------------------|
| 30 | FINANCE COST | Year ended 31.03.2022 | Year ended 31.03.2021 |
| | Interest others | 957.96 | 816.07 |
| | Total | 957.96 | 816.07 |
| 31 | DEPRECIATION AND AMORTISATION EXPENSE | | |
| | Property, plant and equipment | 2,179.98 | 2,152.35 |
| | Investment property | 368.14 | 368.14 |
| | Right-of-use assets | 1,075.14 | 1,118.16 |
| | Total | 3,623.26 | 3,638.65 |

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

| 32 OTHER EXPENSES | Year ended 31.03.2022 | Year ended 31.03.2021 |
|--|----------------------------------|----------------------------------|
| Consultation & Professional Fee | 21,081.25 | 22,895.99 |
| Rates and taxes | 14,530.50 | 14,384.20 |
| Security Services | 4,707.74 | 5,214.87 |
| Advertisement expense | 2,383.91 | 2,181.64 |
| Postage & Telegram | 73.28 | 42.81 |
| Printing & Stationery | 35.22 | 56.49 |
| Business Promotion | 4,602.35 | 2,781.00 |
| Operating Lease expenses | 243.00 | 252.91 |
| Electricity Expenses | 374.98 | 307.48 |
| Contribution towards Corporate Social Responsibility | 2,500.00 | 18,400.00 |
| Donation | 545.00 | 15,000.40 |
| Repairs & Maintenance: | | |
| - Building | 9,199.62 | 2,275.56 |
| - Others | 487.32 | 957.51 |
| Payment to Auditor: | | |
| - Statutory Audit | 621.69 | 590.00 |
| - Out of pocket | 52.96 | 10.68 |
| Provision for ECL | 678.54 | 176.24 |
| Other General Expenses | 5,051.34 | 4,361.21 |
| Total | 67,168.70 | 89,888.99 |

| 33 TAX EXPENSES | | |
|--------------------------------|-----------------|------------------|
| Current Tax | | |
| - Income Tax | 9,231.34 | 36,510.00 |
| - Income tax for earlier years | - | 22,329.58 |
| | 9,231.34 | 58,839.58 |
| Deferred Tax | (3,969.59) | (1,985.40) |
| Total | 5,261.75 | 56,854.18 |

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 | For the year 2021-2022 | For the year 2020-2021 |
|--|-----------------------------------|-----------------------------------|
| 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) | 190,932.78 | 232,009.86 |
| Basic/Diluted earnings per Share (Amount in ₹) | 1.42 | 1.73 |
| Face value per equity share (Amount in ₹) | 10 | 10 |

| 35 DIRECTOR'S REMUNERATION | For the year 2021-2022 | For the year 2020-2021 |
|------------------------------------|-----------------------------------|-----------------------------------|
| Salary, allowances and perquisites | 3,102.00 | 2,813.10 |
| Contribution to provident fund | 210.38 | 192.38 |
| Total | 3,312.38 | 3,005.48 |

Note : Provision for gratuity, leave encashment and sick leave has been made for 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. Following are the changes in the carrying value of right of use assets:

| Particulars | ROU -Building as at 31.03.2022 (in ₹ Thousands) | ROU -Building as at 31.03.2021 (in ₹ Thousands) |
|------------------------|---|---|
| Opening Balance | 2,236.32 | 3,354.48 |
| Additions | 1,705.85 | - |
| Deletions | - | - |
| Depreciation | 1,075.14 | 1,118.16 |
| Closing Balance | 2,867.03 | 2,236.32 |

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

c. The following is the break-up of current and non-current lease liabilities:

| Particulars | As at 31.03.2022 (in ₹ Thousands) | As at 31.03.2021 (in ₹ Thousands) |
|-------------------------------|--------------------------------------|--------------------------------------|
| Current lease liabilities | 1,092.96 | 2,416.74 |
| Non-current lease liabilities | 2,081.81 | 1,290.30 |
| Total | 3,174.77 | 3,707.04 |

d. The following is the movement in lease liabilities:

| Particulars | As at 31.03.2022 (in ₹ Thousands) | As at 31.03.2021 (in ₹ Thousands) |
|--|--------------------------------------|--------------------------------------|
| Opening Balance | 3,707.04 | 4,730.57 |
| Additions | 1,705.85 | - |
| Finance cost accrued during the period | 360.63 | 292.72 |
| Deletions | - | - |
| Payment of lease liabilities | (2,598.75) | (1,316.25) |
| Closing Balance | 3,174.77 | 3,707.04 |

e. There are no expense for short-term leases and leases of low-value assets for the year ended March 31,2022 and March 31,2021.

f. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| Particulars | As at 31.03.2022 (in ₹ Thousands) | As at 31.03.2021 (in ₹ Thousands) |
|----------------------|--------------------------------------|--------------------------------------|
| Less than one year | 1,350.00 | 1,350.00 |
| One to five years | 2,250.00 | 1,350.00 |
| More than five years | - | - |
| Total | 3,600.00 | 2,700.00 |

The holding 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.

g. The weighted average incremental borrowing rate applied to lease liabilities is 10%.

37 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

| | As at 31.03.2022 | As at 31.03.2021 |
|--|---------------------|---------------------|
| (a) Claims against the holding 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 holding company is contingently liable | | |
| - Income tax demands | 6,325.91 | 6,325.91 |
| (c) Estimated amount of contracts remaining to be executed on capital account and not provided for | - | 3,404.88 |

* 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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

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 & Whole Time Director |
| Ms. Shikha Jain | Independent Director (Resigned w.e.f 5 th Feb, 2021) |
| Mr. Ramesh Kumar Khanna | Independent Director (Ceased to be director w.e.f 23 rd May, 2021) |
| Mr. Mohinder Pal Singh | Independent Director |
| Mr. Pulkit Gupta | Independent Director (Appointed w.e.f 5 th Feb, 2021) |
| Mr. Dhiraj Gupta | Independent Director (Appointed w.e.f 13 th Aug, 2021) |
| Mr. Parveen Chopra | Chief Financial Officer |
| Mr. Gopal | Company Secretary (Resigned w.e.f 15 th Nov, 2021) |
| Ms. Anjali Aggarwal | Company Secretary (Appointed w.e.f 16 th Nov, 2021) |

(c) Other related parties

Aruna Abhey Oswal Trust

The entity is controlled by a key managerial person

Jindal Steel and Power Limited

The entity over which Company Director's relative has significant influence

(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 expenses | 1,590.00 | 1,590.00 |
| | Receivable of Gratuity and Leave Encashment on account of transfer of employees | 2,152.47 | - |
| | Balances outstanding at year end | | |
| | Lease liabilities | 3,174.77 | 3,707.04 |
| | Security deposit given | 337.50 | 337.50 |
| | Investment | 4,511,710.52 | 4,345,893.11 |
| (b) Key Management personnel | | | |
| | Transactions during the year | | |
| (i) Mr. B. N. Gupta | Managerial Remuneration (short term Employee benefits) | 3,102.00 | 2,813.10 |
| | Managerial Remuneration (Post Employment benefits) | 210.38 | 192.38 |
| (ii) Mr. Parveen Chopra | Managerial Remuneration (short term Employee benefits) | 2,076.53 | 2,159.02 |
| | Managerial Remuneration (Post Employment benefits) | 138.59 | 138.59 |
| (iii) Mr. Gopal | Managerial Remuneration (short term Employee benefits) | 379.15 | 432.90 |
| | Managerial Remuneration (Post Employment benefits) | 23.47 | 34.85 |
| (iv) Ms. Anjali Aggarwal | Managerial Remuneration (short term Employee benefits) | 217.67 | - |
| | Managerial Remuneration (Post Employment benefits) | 18.47 | - |
| (v) Mrs. Shikha Jain | Sitting Fees | - | 225.00 |
| (vi) Mr. Ramesh Kumar Khanna | Sitting Fees | - | 165.00 |
| (vii) Mr. Mohinder Pal Singh | Sitting Fees | 150.00 | 60.00 |
| (viii) Mr Pulkit Gupta | Sitting Fees | 195.00 | 30.00 |
| (ix) Mr Dhiraj Gupta | Sitting Fees | 105.00 | - |
| | Balance outstanding at year end | | |
| (i) Mr. B. N. Gupta | Managerial Remuneration payable | 36.33 | 11.33 |
| (ii) Mr. Parveen Chopra | Salary and Other Benefits Payable | 23.69 | 23.69 |
| (iii) Mr. Gopal | Salary and Other Benefits Payable | - | 5.63 |
| (iv) Ms. Anjali Aggarwal | Salary and Other Benefits Payable | 8.18 | - |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| Particulars | Description | Current year | Previous year |
|--|---|--------------|---------------|
| (c) Other related parties | | | |
| (i) Aruna Abhey Oswal Trust | Transactions during the year | | |
| | Rental Income (inclusive of applicable taxes) | 1,800.00 | 1,800.00 |
| | Donation given | 2,500.00 | - |
| | Balance outstanding at year end | | |
| | Lease receivable (inclusive of applicable taxes net of TDS) | 3,240.00 | 1,620.00 |
| (ii) Jindal Steel and Power Limited | Transactions during the year | | |
| | Sale of commodities (excluding GST) | 25,207.86 | 144,888.91 |
| | Balance outstanding at year end | | |
| | Trade receivable (inclusive of GST) | - | 171,097.14 |

Note-1: 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 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/commodities
- 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 | 110,213.47 | 292,668.95 |
| | Investment | 126,562.42 | 219,894.24 |
| | Real Estate | - | 5.32 |
| | Unallocable | 0.53 | 2,549.13 |
| | Total Segment Revenue | 236,776.42 | 515,117.64 |
| (b) | Segment Result | | |
| | Profit/(Loss) before tax and interest from each segment | | |
| | Trading | 405.38 | 2,825.12 |
| | Investment | 103,100.27 | 202,757.24 |
| | Real Estate | (25,813.93) | (30,295.40) |
| | Unallocable | (44,417.91) | (63,585.07) |
| | Less : Finance cost | 957.96 | 816.07 |
| | Profit before Tax | 32,315.85 | 110,885.82 |
| | Less: Current Tax | 9,231.34 | 58,839.58 |
| | Less: Deferred Tax | (3,969.59) | (1,985.40) |
| | Profit after Tax | 27,054.10 | 54,031.64 |
| | Add: Share of net profit of associate accounted for using the equity method | 163,878.68 | 177,978.22 |
| | Profit for the year after tax | 190,932.78 | 232,009.86 |
| (c) | Segment Assets | | |
| | Trading | 72,371.40 | 234,018.48 |
| | Investment | 6,940,550.68 | 6,600,909.74 |
| | Real Estate | 995,669.21 | 1,026,038.00 |
| | Unallocable | 128,257.61 | 130,018.73 |
| | Total Assets | 8,136,848.90 | 7,990,984.95 |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

| S No. | Particulars | Current year | Previous year |
|-------|--------------------------------|------------------|------------------|
| (d) | Segment Liabilities | | |
| | Trading | 881.59 | 26,676.18 |
| | Investment | 4,898.28 | 4,860.01 |
| | Real Estate | 8,066.98 | 6,977.47 |
| | Unallocable | 38,374.32 | 59,492.86 |
| | Total Liabilities | 52,221.17 | 98,006.52 |
| (e) | Other Information | | |
| | (i) Capital expenditure | | |
| | Investment | - | - |
| | Real Estate | - | - |
| | Unallocable | 440.63 | 28.00 |
| | (ii) Interest revenue | | |
| | Investment | 124,171.99 | 211,857.40 |
| | Real Estate | - | 5.32 |
| | Unallocable | - | 779.49 |
| | (iii) Depreciation | | |
| | Investment | 1,228.25 | 1,262.66 |
| | Real Estate | 215.03 | 223.63 |
| | Unallocable | 2,179.98 | 2,152.36 |

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

Note 2: Revenue from three (two in previous year) customers exceeded 10% of the group's revenue viz. ₹ 87150.82 thousand (previous year ₹ 194163.60 thousand) arising from trading of commodity under trading segment and ₹ 43517.13 thousand (previous year ₹ 80,533.56 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 ₹ 45,11,710.52 thousand (previous year ₹ 43,45,893.11 thousand) under investment segment

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 31-03-2022 | As at 31-03-2021 |
|--|-------------------|---------------------|
| Opelina Sustainable Services Limited | 379,000.00 | 661,500.00 |
| Minerals Management Services (I) Private Limited | - | 387,500.00 |
| TOTAL | 379,000.00 | 1,049,000.00 |

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.

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

41 FINANCIAL INSTRUMENTS

The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 are as follows:

| Particulars | As at 31.03.2022 | | As at 31.03.2021 | |
|--|---------------------|---------------------|---------------------|---------------------|
| | Carrying value | Fair value | Carrying value | Fair value |
| FINANCIAL ASSETS | | | | |
| At fair value through other comprehensive income (FVTOCI) | | | | |
| Non Current | | | | |
| Investments | 129,629.96 | 129,629.96 | 129,629.96 | 129,629.96 |
| At fair value through profit or loss (FVTPL) | | | | |
| Current | | | | |
| Investments | 20,794.70 | 20,794.70 | 34,929.70 | 34,929.70 |
| At amortised cost | | | | |
| Non Current | | | | |
| i) Loans | 111.62 | 111.62 | 777,651.70 | 777,651.70 |
| ii) Other financial assets | 1,007.30 | 1,007.30 | 1,007.30 | 1,007.30 |
| Current | | | | |
| i) Trade receivables | 2,408.38 | 2,408.38 | 203,395.55 | 203,395.55 |
| ii) Cash and cash equivalents | 1,874,117.83 | 1,874,117.83 | 11,308.08 | 11,308.08 |
| iii) Bank Balances other than cash and cash equivalents | - | - | 973,000.00 | 973,000.00 |
| iv) Loans | 379,261.68 | 379,261.68 | 271,900.11 | 271,900.11 |
| v) Other financial assets | 89,827.16 | 89,827.16 | 62,172.50 | 62,172.50 |
| Total Financial Assets | 2,497,158.63 | 2,497,158.63 | 2,464,994.90 | 2,464,994.90 |
| FINANCIAL LIABILITIES | | | | |
| At amortised cost | | | | |
| Non Current | | | | |
| (i) Lease liabilities | 2,081.81 | 2,081.81 | 1,290.30 | 1,290.30 |
| Current | | | | |
| (i) Trade Payable | - | - | 26,676.18 | 26,676.18 |
| (ii) Lease liabilities | 1,092.96 | 1,092.96 | 2,416.74 | 2,416.74 |
| (iii) Other financial liabilities | 3,026.30 | 3,026.30 | 2,519.51 | 2,519.51 |
| Total Financial Liabilities | 6,201.07 | 6,201.07 | 32,902.73 | 32,902.73 |

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, trade payables, 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. The fair value of lease liabilities is also considered to be equal to its book value.

The fair value of investments in mutual fund is determined on the basis of NAV of mutual fund declared on the last day of the financial year. The fair value of the equity instruments measured at 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.

DETAILS OF ASSETS PLEDGED AS COLLATERAL/SECURITY

The carrying amount of assets as at 31st March, 2022 and 31st March, 2021 that the company has provided as collateral for obtaining borrowings and other facilities from the bankers as follows:

| Particular | As at 31-03-2022 | As at 31-03-2021 |
|--|------------------|------------------|
| Gross carrying amount of Investment Property | 293.24 | 293.24 |
| Fixed deposits with banks- Non current | 33,409.46 | 33,409.46 |

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)
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, 2022 and 31st March, 2021.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March, 2022 and 31st March 2021:

| 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 31st March, 2022 | 20,794.70 | 129,629.96 | 23,257.21 |
| Fair valuation as at 31st March, 2022 | | | |
| Level 3 | - | 129,629.96 | 259,720.85 |
| Level 2 | - | - | - |
| Level 1 | 20,794.70 | - | - |
| Carrying Value as at 31st March, 2021 | 34,929.70 | 129,629.96 | 23,625.35 |
| Fair valuation as at 31st March, 2021 | | | |
| Level 3 | - | 129,629.96 | 246,780.00 |
| Level 2 | - | - | - |
| Level 1 | 34,929.70 | - | - |

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended on 31st March, 2022 or on 31st March 2021.

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 31-03-2022 | As at 31-03-2021 |
|--|-------------------|-------------------|
| Opening Balance of investment valued using level 3 inputs | 129,629.96 | 130,208.02 |
| Add/(Less): Fair value changes for the year recognised in other comprehensive income | - | (578.06) |
| Closing balances | 129,629.96 | 129,629.96 |

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 trade payables, 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:

(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 ₹ 3,89,819.07 thousand as at March 31, 2022 i.e., 15.61% (₹ 12,79,226.12 thousand as at March 31, 2021 i.e., 53.14%). 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

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

the expected credit losses (ECL) for trade receivables. The provision matrix takes into account internal and external credit risk factors and the group'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 31.03.2022 and as at 31.03.2021 is as follows:

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|--|---------------------|---------------------|
| Investments (Non current and current) | 150,424.66 | 164,559.66 |
| Loans (Non current and current) | 379,373.30 | 1,049,551.81 |
| Other financial assets (Non current) | 1,007.30 | 1,007.30 |
| Trade receivables | 2,408.38 | 203,395.55 |
| Cash and cash equivalents | 1,874,117.83 | 11,308.08 |
| Bank Balances other than cash and cash equivalents | - | 973,000.00 |
| Others financial assets | 89,827.16 | 62,172.50 |
| Total | 2,497,158.63 | 2,464,994.90 |

(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, 2022 or March 31, 2021 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 2022, the group had a working capital of ₹ 32,94,496.38 thousand (Previous year ₹ 24,88,003.59 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 ₹ 1,27,320.90 thousand (Previous year ₹ 2,49,633.33 thousand) as against the total current liabilities of ₹ 46,524.05 thousand (Previous year ₹ 94,704.27 thousand) which clearly establishes very strong liquidity position of the group.

The maturity analysis of the financial liabilities of the group as at 31.03.2022 is given as below:

| Particulars | As at 31.03.2022 | | |
|-----------------------------|------------------|-----------------|-------------------|
| | Less than 1 Year | 1-2 Years | 2 Years and above |
| Lease liabilities | 1,092.96 | 1,207.41 | 874.40 |
| Trade Payables | - | - | - |
| Other financial liabilities | 3,026.30 | - | - |
| Total | 4,119.26 | 1,207.41 | 874.40 |

The maturity analysis of the financial liabilities of the group as at 31.03.2021 is given as below:

| Particulars | As at 31.03.2021 | | |
|-----------------------------|------------------|-----------------|-------------------|
| | Less than 1 Year | 1-2 Years | 2 Years and above |
| Lease liabilities | 2,416.74 | 1,167.99 | 122.31 |
| Trade Payables | 26,676.18 | - | - |
| Other financial liabilities | 2,519.51 | - | - |
| Total | 31,612.43 | 1,167.99 | 122.31 |

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 | 19,275.97 | 11,715.21 | 285.00 | 31,276.18 |
| Provision made during the year | - | - | - | - |
| 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

NOTES (CONTD...)
(Amount in ₹ thousand unless otherwise stated)
45 ADDITIONAL REGULATORY INFORMATION

- (i) The Holding company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- (ii) The Holding company has no borrowing from banks or financial institutions on the basis of security of current assets.
- (iii) The Holding company has not any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iv) **Registration of charges or satisfaction with Registrar of Companies (ROC)**

The Holding company has following open charges with Registrar of Companies(ROC) and there is no outstanding liability in respect of such charge. The Holding company is taking all the possible steps in satisfaction of the charge and has submitted the indemnity bond with ROC for removal of the charge.

| Charge Holder Name | Charge ID | Date of Creation | Amount (₹ in thousands) | Address |
|---------------------------|-----------|------------------|-------------------------|------------------------------------|
| Industrial Finance Branch | 90179746 | 03/04/1996 | 90,000 | New Delhi DLIN |
| United Bank of India | 90177543 | 26/12/1994 | 137,900 | Phagwara PBIN |
| Syndicate Bank | 90177535 | 14/11/1994 | 75,000 | Dhanaura UPIN |
| Punjab & Sind Bank | 90179476 | 19/01/1994 | 50,000 | IBDSCINDIA House New Delhi DLIN |
| Punjab & Sind Bank | 90177456 | 19/01/1994 | 50,000 | IBDSCINDIA House New Delhi DLIN |

- (v) The Holding Company has no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43, 1961) during the year.

(vi) 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 group as per the Act. The funds were allocated to a charitable institution for spending towards healthcare promotion as covered under activities specified in Schedule VII of the Companies Act, 2013.

| S. No | Particulars | As at 31.03.2022 | As at 31.03.2021 |
|-------|--|----------------------|--|
| 1. | Corporate Social Responsibility (CSR) When the holding company is covered under section 135 disclosure of : | | |
| a. | Amount required to be spent during the year | 2348.44 | 1725.63 |
| b. | Amount of expenditure incurred | 2500.00 | 18400.00 |
| c. | Shortfall at the end of the year | - | - |
| d. | Total of previous years shortfall | - | - |
| e. | Reason for shortfall | - | - |
| f. | Nature of CSR activities | Healthcare promotion | Free education to the deprived Section |
| g. | details of related party transactions, - contribution to trust controlled by Co as per AS | 2,500.00 | - |
| h. | Where a provision is made w.r.t liability incurred, the movement in provision during the year should be shown separately. | - | - |
| 2. | Whether the holding company has transferred the unspent amount, if any, to a fund specified in Schedule VII within a period of 6 months in respect of other than any ongoing projects. | NA | NA |
| | Whether the holding company has transferred the unspent amount, if any, to a fund specified in Schedule VII in respect of any ongoing projects. | NA | NA |

NOTES (CONTD...)

(Amount in ₹ thousand unless otherwise stated)

- (vii) The Holding company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (viii) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ix) No funds (which are material either individually or in the aggregate) have been received by the Holding company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46 ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AS ON 31.03.2022

| 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 | 44.19% | 35,72,917.21 | 14.17% | 27,054.10 | (170.58%) | (1,222.21) | 13.48% | 25,831.89 |
| Associate Indian: Oswal Greentech Limited | 55.81% | 45,11,710.52 | 85.83% | 1,63,878.68 | 270.58% | 1,938.73 | 86.52% | 1,65,817.41 |
| | 100.00% | 80,84,627.73 | 100.00% | 1,90,932.78 | 100.00% | 716.52 | 100.00% | 1,91,649.30 |

47 OTHER NOTES:

- (i) **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.
- (ii) 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.
- (iii) Based on the information available with the group, there are no dues as at March 31, 2022 and March 31, 2021 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) For the financial years ended 31-3-21 and 31-3-22, holding company is not meeting the 50:50 test for determining financial activity as a principal business and is not covered under the definition of NBFC. Moreover, all the directions and compliances of Reserve Bank of India in relation to seek exemption and disclosure requirements as applicable to a NBFC for financial years ended 31-3-19 and 31-3-20 had been duly complied with.

As per our report of even date attached

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

Alok Dhandhanias
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXEDW3824

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place: New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place: New Delhi
Date : 30.05.2022

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

| Sl. No. | PARTICULARS | 1 |
|---------|--|--|
| 1 | Name of Associates/Joint Ventures | Oswal Greentech Limited |
| 2 | Latest audited Balance Sheet Date | 31/03/2022 |
| 3 | Shares of Associate/Joint Ventures held by the company on the year end No. | |
| | a) No. | 9,13,84,203 |
| | b) Amount of Investment in Associates/Joint Venture | 23,75,808.28 |
| | c) Extent 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 | 88,37,264.05 |
| 7 | Profit / (Loss) for the year | 4,65,981.82 |
| | a) Considered in Consolidation | 1,65,817.41 |
| | b) Not Considered in Consolidation | 3,00,164.41 |

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

As per our report of even date attached

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

Alok Dhandhanias
Partner
Membership No. 111062

Place : New Delhi
Date : 30.05.2022
UDIN : 22111062AJXEDW3824

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 : 30.05.2022

Parveen Chopra
Chief Financial Officer
Place : New Delhi
Date : 30.05.2022

Anil Bhalla
Director
DIN : 00587533
Place: New Delhi
Date : 30.05.2022

Anjali Aggarwal
Company Secretary
Place: New Delhi
Date : 30.05.2022

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

NOTE

[illegible]

