T R Chadha & Co LLP

Chartered Accountants

502, Marathon Icon,
Off. Ganpatrao Kadam Marg
Opp. Peninsula Corporate Park
Lower Parel, Mumbai – 400 013
Tel.: 022-49669000
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Email:mumbai@trchadha.com

auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

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

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

i. the Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements –Refer note 2.26 to the Ind AS Financial Statements

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

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

iv. the Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 2.36 to the Ind AS financial statements.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn. No: 006711N/N500028

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Vikas Kumar

Vikas Kumar
Partner
Membership Number: 75363

Place: Mumbai
Date: 25th April 2017

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Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As per the information and explanation given to us, the company has physically verified its assets during the previous year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verifications.

(c) There are no immovable properties in the name of company as appears from the books of accounts.

(ii)Taking into consideration the nature of business, we are of the opinion that the procedure of physical verification and frequency of such verification is reasonable and adequate in relation to the size of the company and the nature of its business. Further, the discrepancies noticed on verification between the physical stocks and records were not material in relation to the operation of the company and the same have been properly dealt with in the books of account.

(iii)(a) The Company has granted loans to one body corporate and one Limited liability partnership covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(b) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

(iv)In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) According to the information and explanation given to us, the Company has not accepted any deposits from the public.

(vi)As explained to us, sub section (1) of section 148 of the Companies Act, 2013, is not applicable to the company.

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(vii) (a) The company has been generally regular in depositing its undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable with the appropriate authorities during the year. According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Service Tax, Customs Duty, Excise Duty, Sales Tax, Cess and any other statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

(b) There are no disputed dues of sales tax or service tax or duty of customs or duty of excise or value added tax as on 31st March 2017 except following Disputed amount of income tax:

Assessment Year	Amount disputed (Rs. in Lacs)	Forum where dispute is pending	Status
2006-07	0.04	Assessing Officer	Demand raised by Assessing officer
2010-11	7.78	Assessing Officer	Rectification u/s 154 filed
2011-12	7.52	Assessing Officer	
2012-13	0.03	CIT-A	Appeal is filled before CIT-A
2014-15	15.56	Assessing Officer	Rectification Filled

(viii) In our opinion and according to explanation given to us, the company has not defaulted in the repayment of any loans or borrowings to Financial Institution.

(ix) According to the information and explanations given to us the Company, The Company has not raised any money by Public issues/Debentures issue or by way of Term Loan during the year.

(x) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year.

(xii) As explained and in our opinion, the entity is not a Nidhi Company. Therefore, the provisions of clause (xii) of Para 4 of the Companies (Auditor's Report) Order are not applicable to the Company.

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(xiii) The transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required.

(xiv) According to the information and explanations given to us and verified by us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 42 of Companies Act, 2013.

(xv) According to the information and explanations given to us and verified by us, the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn. No: 006711N/N500028

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Vikas Kumar

Vikas Kumar
Partner
Membership Number: 75363

Place: Mumbai
Date: 25th April 2017

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Annexure - B to the Auditors' Report

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

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

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

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn. No: 006711N/N500028

T R Chadha & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

Vikas Kumar

Vikas Kumar
Partner
Membership Number: 75363

Place: Mumbai
Date: 25th April 2017

SWAL CORPORATION LIMITED
Balance Sheet as at 31 March 2017

	Note No	As at 31 March 2017 INR Lacs	As at 31 March 2016 INR Lacs	As at 1 April 2015 INR Lacs
ASSETS				
Non-current assets				
Property, plant and equipment	2.01	65.93	75.70	71.96
Other Intangible assets	2.01	12.47	19.60	26.73
Financial assets				
(i) Investments	2.02	283.63	243.18	5,460.98
(ii) Loans	2.03	500.00	-	-
Non Current Tax Assets (Net)	2.04	578.06	310.15	240.70
Deferred Tax Assets (Net)	2.05	397.35	496.51	431.53
Other non-financial assets	2.06	1,098.34	601.74	81.27
		2,935.78	**1,746.88**	**6,313.17**
Current assets				
Inventories	2.07	12,139.39	12,199.01	13,224.68
Financial Assets				
(i) Trade receivables	2.08	16,485.16	11,164.40	9,733.35
(ii) Cash and cash equivalents	2.09(A)	4,473.06	1,076.21	3,563.98
(iii) Bank balance other than (ii) above	2.09(B)	1.00	1.00	1.00
(iv) Loans	2.03	6,156.00	1,141.00	1,116.42
(v) Other current asset	2.10	278.23	93.04	40.33
Other non-financial assets	2.06	395.91	346.63	480.18
		39,928.75	**26,021.29**	**28,159.94**
Total Assets		**42,864.53**	**27,768.17**	**34,473.11**
Equity and liabilities				
Equity Share capital	2.11	100.00	100.00	100.00
Other equity		6,550.72	6,622.60	7,818.92
		6,650.72	**6,722.60**	**7,918.92**
Non-current liabilities:				
Financial liabilities				
(i) Borrowings	2.12	-	2,700.00	3,402.00
Provisions	2.13	209.75	84.90	75.06
		209.75	**2,784.90**	**3,477.06**
Current liabilities:				
Financial liabilities				
(i) Borrowings	2.12	13,050.00	2,102.00	1,500.00
(ii) Trade payables	2.14			
- Outstanding due to MSME		56.33	52.33	53.64
- Outstanding due to other than MSME		14,059.12	5,575.30	15,073.84
Other current liabilities	2.15	8,805.86	10,504.76	6,445.58
Provisions	2.13	32.75	26.28	4.07
		36,004.06	**18,260.67**	**23,077.13**
Total liabilities				
Total equity and liabilities		**42,864.53**	**27,768.17**	**34,473.11**

The accompanying notes forms an integral part of the finacial statements

As per our attached report of even date
For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No.:-006711N/N500028

Vivas Kumar

Vikas Kumar
(Partner)
Membership No. 75363
Place : Mumbai
Date : 25th April, 2017

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

On behalf of the Board,

Srinivas

V. Srinivas
Company Secretary

K.R.Srivastava
Managing Director

R.D.Shroff
Director

Place : Mumbai
Date : 25th April, 2017

SWAL CORPORATION LTD. SAHOPA MUMBAI 51.

SWAL CORPORATION LIMITED
Statement of Profit and Loss for the year ended 31st March 2017

Rs. in Lac except per share data

Particulars	Note No.	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Income			
Revenue from operations	2.16	60,711.91	51,801.05
Other income	2.17	1,503.82	330.64
Total Revenue		**62,215.73**	**52,131.69**
Expenses			
Cost of materials consumed	2.18	2,446.36	2,658.20
Purchases of stock-in-trade		50,954.37	40,342.64
Changes in inventories of finished goods and traded goods	2.19	(331.37)	1,030.11
Excise duty on sale of goods		15.44	17.47
Employee benefits expense	2.20	2,155.65	1,887.37
Finance cost	2.21	1,220.56	489.71
Depreciation and amortization expenses	2.01	22.91	21.59
Other expenses	2.22	4,970.37	6,370.71
Total Expenses		**61,454.29**	**52,817.80**
Profit before tax		**761.44**	**(686.11)**
Tax expenses:-			
Current tax		175.99	569.27
Deferred tax		97.19	(62.93)
Profit/(Loss) for the Year		**488.26**	**(1,192.45)**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		5.95	(5.92)
(ii) Deferred tax relating to items that will not be reclassified to profit or loss		(1.97)	2.05
Total Comprehensive Income for the year		**492.24**	**(1,196.32)**
Earnings per equity share	2.23		
Basic		49.22	(119.63)
Diluted		49.22	(119.63)
Face Value per Share (Rs.)		10.00	10.00

The accompanying notes forms an integral part of the finacial statements

As per our attached report of even date
For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No.:-006711N/N500028

Vikas Kumar

Vikas Kumar
(Partner)
Membership No. 75363
Place : Mumbai
Date : 25th April, 2017

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

On behalf of the Board,

Srinivas

V. Srinivas
Company Secretary

K.R.Srivastava
Managing Director

R.D.Shroff
Director

Place : Mumbai
Date : 25th April, 2017

SWAL CORPORATION LTD

SWAL CORPORATION LIMITED

Cash flow statement for the year ended 31st March 2017

(Rs. in Lac)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Cash flow from operating activities		
Profit before tax from continuing operations	761.44	(686.11)
Depreciation and amortization expense	22.91	21.59
Sundry Credit balances written Back	(45.46)	(5.08)
Excess Provision Written Back	(323.85)	(87.64)
Doubtful Debts written back	(376.52)	-
Loss on sale of investment	-	1,924.95
Provision for doubtful debts	-	145.32
Other adjustments on OCI	5.95	(5.92)
Provision for Other debts	135.30	32.05
Fixed Assets written off	3.87	-
Finance charges	1,220.56	489.71
Interest Income	(729.99)	(236.88)
Operating profit before working capital changes	674.21	1,591.99
Movements in working capital :		
Increase/ (decrease) in trade payables	8,529.28	(9,513.92)
Increase/ (decrease) in other current liabilities	(1,375.05)	4,165.97
Decrease / (increase) in trade receivables	(5,508.36)	(1,576.37)
Decrease / (increase) in inventories	59.62	1,025.67
Decrease / (increase) in Other non financial assets	(545.88)	(386.34)
Decrease / (increase) in other current assets	(185.19)	(53.28)
Cash generated from /(used in) operations	1,648.63	(4,746.28)
Direct taxes paid (net of refunds)	(443.89)	(638.72)
Net cash flow from/ (used in) operating activities (A)	**1,204.74**	**(5,385.00)**
Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(9.88)	(18.21)
Purchase of current and non-current investments	(40.45)	(7.15)
Sale of non-current investments	-	3,300.00
Interest on Other investment	-	0.15
Loans granted / repaid	(5,515.00)	(24.58)
Interest income	729.99	236.73
Net cash flow from/ (used in) investing activities (B)	**(4,835.34)**	**3,486.94**
Cash flows from financing activities		
Borrowing taken / repaid	8,248.00	(100.00)
Finance Charges	(1,220.56)	(489.71)
Net cash flow from/ (used in) in financing activities (C)	**7,027.44**	**(589.71)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**3,396.84**	**(2,487.77)**
Cash and cash equivalents at the beginning of the year	**1,077.21**	**3,564.98**
Cash and cash equivalents at the end of the year	**4,474.06**	**1,077.21**
Supplementary Information		
Resticted Cash Balance	1.00	1.00

As per our attached report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No.:-006711N/N500028

Vikas Kumar

Vikas Kumar
(Partner)
Membership No. 75363
Place : Mumbai
Date : 25th April, 2017

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Srinivas

V. Srinivas
Company Secretary

Place : Mumbai
Date : 25th April, 2017

On behalf of the Board,

K.R.Srivastava
Managing Director

R.D.Shroff
Director

SWAL CORPORATION LTD

SWAL CORPORATION LIMITED

Notes to the Financial Statements

INTRODUCTION:

The Company was incorporated on 12th October, 1979. The registered office of the company is 167, Dr. A. B. Road, Worli, Mumbai - 400018. The company is engaged in the business of Fertilizer and agrochemicals.

1 SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis and the provisions of the companies Act'2013 ("Act) (to the extenst notified).The Ind AS are prescribed under section 133 of the Act read with Rule 3 of companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards)Amendment Rules 2016

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 2.

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

1.2 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments.

1.3 Accounting Estimates

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Property, Plant and Equipment

Propert, plant and equipment are stated at cost less accumulated depreciation and provision for impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Intangible assets are stated at acquisition cost less accumulated amortization, if any.

An item of property, plant and equipmet and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.5 Depreciation on tangible Assets

Depreciation is provided for on straight line basis over the estimated useful life of the fixed asset as assessed by the management or as per schedule II to the Companies Act, 2013, whichever is lower. The same are as under:

Category of Assets	Useful life
Plant & Machinery	15 years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Computers	3 Years
Vehicles	8 Years

1.6 Amortisation of Intangible Assets

Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use.

Category of Assets	Useful life
Business Rights-crop health	5 years

T.R. Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

SWAL CORPORATION LTD.

1.7 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors or an annual imparement tessting for an asset is required. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

1.8 Investments

Presentation and Disclosure

Investments, which are readily realizable and intended for to be held not more than one year from the balance sheet date are classified as current investments. All other investments are classified as non-current investments.

Recognition and Measurement

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are recognised as current investments. All other investments are recognised as long-terminvestments and carried at cost of acquisition. However, the carrying amount is reduced to recognise a decline, other than temporary, in the value of long-term investments by a charge to the statement of profit and loss. Current investments are stated at lower of cost or fair value determined on individual investment basis.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.9 Inventories

(i) Stocks of stores and spares, packing materials and raw materials are valued at lower of cost or net realizable value and for this purpose, cost is determined on moving weighted average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

(ii) Finished products are valued at lower of cost or net realizable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost. Cost of finished goods includes excise duty, as applicable.

(iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other cost incurred in bringing the inventory to their present location and condition. Cost is determined on a weighted average basis.

1.10 Revenue Recognition

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Export benefits under various scheme announced by the Central Government under Exim policies are accounted for on accrual basis to the extent considered receivable, depending on the certainty of receipt.

Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Certain items of income such as overdue interest from customers etc. have been considered to the extent the amount is ascertainable and is expected to be recovered.

1.11 Sales

Sales are stated at net of sales returns. Sales are exclusive of sales tax / value added tax.

1.12 Retirement Benefits

Provident fund is a defined contribution scheme established under a state plan. The contribution towards employees Provident Fund are made on a monthly basis to the Government Provident Fund and charged to the profit and loss account.

Superannuation fund is a defined contribution scheme. Contributions towards Superannuation Fund are made on a monthly basis to an Insurance Company and charged to the profit and loss account.

The company has a defined benefit Gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy

The company has other long term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of actuarial valuation on projected unit credit method made at the end of financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy

Remeasurements, comprising of acturial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balancesheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur, Remeasurements are not reclassified to profit or loss in subsequent periods.

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1.13 Export Benefits

The benefit accrued under the Duty Entitlement Pass Book, Duty Drawback and other schemes as per the Import and Export Policy in respect of exports made under the said schemes is included as `Export Incentives' under the head `Other operating revenue'.

1.14 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

1.15 Taxation

Provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.
Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantially enacted. Deferred tax assets are not recognized unless there is reasonable evidence with respect to the reversal of the same in future years. Deferred tax assets arising from the timing differences on account of carry forward of losses and unabsorbed depreciation are recognized to the extent there are virtual certainties that they would be realized in future. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The company reviews the same at each balance sheet date and writes down the carrying amount of Mat Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

1.16 Borrowing Cost

Interest and other costs incurred for acquisition and construction of qualifying assets, up to the date of commissioning/ installation, are capitalized as part of cost of said asset. All other borrowing costs are expensed in the period they occur.

1.17 Foreign Exchange Transactions

Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence and gain or loss on transaction is recognized in profit and loss account.

Monetary items denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates, prevailing on the Balance Sheet date. Exchange differences arising as a result of above are recognized as income or expense in profit and loss account.

1.18 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.19 Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount of the obligation can be made. Provisions are not discounted to its present value and are determined based on the best estimates required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current Management estimates.

1.20 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.Contingent liabilities is a are not recognized but are disclosed in Notes.

1.21 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.
Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

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Impairment of financial assets
Ind AS 109 introduces a new model for recognition of impairment losses on the same – the 'Expected Credit Loss' (ECL) model. The Company has built a model for ECL and the two components on the basis of which it is calculated

1. Historical loss data
2. Qualitative parameters

Historical loss data
As a starting point, overdues greater than 270 days are assumed as doubtful debts. These doubtful debts are traced back (till 5 years) to the period(s) in which they became overdue or the year the entity was moved to SAP. % of these doubtful debts to the total overdues, at company level, of the respective period(s) is computed and average % is derived. Historical average % of losses is thus available. These %'s are then applied, at customer level, to the reporting period under consideration to arrive at the first component of the ECL provision.

Qualitative Parameters
Customer is assessed on three parameters and accordingly assigned scores and graded as Good, Average or Bad:

i. Historical payment track record
ii. Credit Insurance Limit
iii. Customer's Country rating
A weighted average score is given to each customer based on the above parameters and based on the score, a grade is assigned. Each of the three grades carry a % that will be applied, at customer level, to the outstanding amount, to arrive at the second component.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
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. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.
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.

Loans and borrowings
This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets
The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. 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 company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. 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 the 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.

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The following table shows various reclassification and how they are accounted for:

Original classification	Revised	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.22 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

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1.23 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date on a portfolio basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.24 Recent Accounting Pronouncements
The standard issued but not yet effective have no impact on financial statements

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SWAL CORPORATION LIMITED
Statement of Changes in Equity

A. Equity Share Capital

(Rs. in Lac)

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	1,000,007	100	1,000,007	100
Add:-Shares issued during the year	-	-	-	-
Equity shares at the end of the year	1,000,007	100	1,000,007	100

B. Other Equity

Particulars	Reserves & surplus							Total
	Capital redemption reserve	Capital resreve	Debenture redemption reserve	Securities premium account	SBP Reserve	General reserve	Retained earnings	
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
As at 1 April 2015	-	-	-	-	-	-	7,818.92	**7,818.92**
Profit for the period	-	-	-	-	-	-	(1,192.45)	**(1,192.45)**
Re-mesurement of the net defined liability/asset,net of tax effect							(3.87)	**(3.87)**
Fair Value of investment net of tax effects								
As at 31 March 2016	-	-	-	-	-	-	6,622.60	**6,622.60**

	Reserves & surplus							Total Equity
	Capital redemption reserve	Capital resreve	Debenture redemption reserve	Securities premium account	SBP Reserve	General reserve	Retained earnings	
	INR Lacs			INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
As at 1 April 2016							6,622.60	**6,622.60**
Profit for the period							488.26	**488.26**
Effect of Expected Credit Loss Prior to March, 2016						(564.12)		**(564.12)**
Re-mesurement of the net defined liability/asset, net of tax effect							3.98	**3.98**
As at 31 March 2017						(564.12)	7,114.84	**6,550.72**

As per our attached report of even date
For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No.:-006711N/N500028

Vikas Kumar

Vikas Kumar
(Partner)
Membership No. 75363
Place : Mumbai
Date : 25th April, 2017

T R Chadha & Co LLP * MUMBAI * CHARTERED ACCOUNTANTS

On behalf of the Board,

Srinivas

V. Srinivas
Company Secretary

K.R.Srivastava
Managing Director

R.D.Shroff
Director

Place : Mumbai
Date : 25th April, 2017

SWAL CORPORATION LTD. MUMBAI

SWAL CORPORATION LIMITED
Notes to Accounts for the year ended 31st March 2017

First-time adoption of Ind-AS

These financialThese financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemption Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

Deemed cost for Property Plant and Equipment and intangible assets:

Property Plant Equipment items and other intangible assets were carried in the statement of financial position prepared in accordance with previous GAAP on 31 March 2015. The Company has elected to regard carrying values as at 31 March 2015 as deemed cost at the date of transition.

Deemed cost for investments in subsidiaries, and partnership firm :

Investment in Subsidiaries subsidiaries, and partnership firm were carried in the statement of financial position prepared in accordance with previous GAAP on 31 March 2015. The Company has elected to regard carrying values as at 31 March 2015 as deemed cost at the date of transition.

A.1 Effect of Ind AS adoption for Balance Sheet

Effect of Ind AS adoption for Balance Sheet and Statement of Profit and Loss Account

(Rs. In Lacs)

(i) Reconciliation of equity as previously reported under Indian GAAP to IND AS

Particulars	Notes	Opening Balance Sheet as on April 1, 2015			Opening Balance Sheet as on March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS							
Non-current assets							
(a) Property, plant and equipment		71.96	-	71.96	75.70	-	75.70
(b) Intangible assets		26.73	-	26.73	19.60	-	19.60
(c) Financial assets			-			-	
(i) Investments		3,336.03	2,124.95	5,460.98	243.18	-	243.18
(ii) Loans		-	-	-		-	-
(d) Deferred Tax Assets (Net)		431.53	-	431.53	494.46	37.30	531.76
(e) Income Tax Assets (Net)		240.70	-	240.70	310.15	-	310.15
(f) Other non-financial assets		81.27	-	81.27	601.74	-	601.74
Current assets			-			-	
(a) Inventories		13,224.68	-	13,224.68	12,199.01	-	12,199.01
(b) Financial Assets			-			-	
(i) Trade receivables		9,733.35	-	9,733.35	11,164.40	-	11,164.40
(ii) Cash and cash equivalents		3,563.98	-	3,563.98	1,076.21	-	1,076.21
(iii) Bank balance other than (ii) above		1.00	-	1.00	1.00	-	1.00
(iv) Loans		1,116.42	-	1,116.42	1,486.45	(345.45)	1,141.00
(v) Other current asset		40.94	-	40.94	94.22	-	94.22
(c) Other non-financial assets		479.57	-	479.57	-	345.45	345.45
			-			-	
Total Assets		**32,348.16**	**2,124.95**	**34,473.11**	**27,766.12**	37.30	**27,803.42**

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SWAL CORPORATION LTD.

(Rs. In Lacs)

Particulars	Notes	Opening Balance Sheet as on April 1, 2015			Opening Balance Sheet as on March 31,		
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
Equity and liabilities			-				
Equity Share capital		802.00	(702.00)	100.00	802.00	(702.00)	100.00
Other equity			-				
(i) Retained Earnings		5,693.97	2,124.95	7,818.92	6,620.55	107.79	6,728.34
(ii) Other Reserves		-	-	-	-	-	-70.49
Non-current liabilities:							
(a) Financial liabilities		-	-	-			
(i) Borrowings		2,700.00	-	2,700.00	2,700.00	-	2,700.00
(ii) Preference Share Capital		-	702.00	702.00	-		-
(b) Provisions		75.06	-	75.06	84.90	-	84.90
Current liabilities:			-				
Financial liabilities			-				
(i) Borrowings		1,500.00	-	1,500.00	1,400.00	-	1,400.00
(ii) Trade payables		15,127.48	-	15,127.48	5,537.06	-	5,537.06
(iii) Preference Share Capital		-	-	-	-		702.00
Provisions		4.07	-	4.07	26.28	-	26.28
Other current liabilities		6,445.58	-	6,445.58	10,595.33	-	10,595.33
			-				
Total equity and liabilities		**32,348.16**	**2,124.95**	**34,473.11**	**27,766.12**	**(594.21)**	**27,803.42**

(ii) Reconciliation of Statement of Profit and Loss as previously reported under Indian GAAP to IND AS;

(Rs. In Lacs)

		Opening Profit and loss Account as on March 31, 2016		
Particulars	**Note No.**	**IGAAP**	**Effects of transition to Ind-AS**	**Ind AS**
Income				
Revenue from operations		53,273.55	(1,472.50)	51,801.05
Other income		530.64	(200.00)	330.64
Total Revenue		**53,804.19**	**(1,672.50)**	**52,131.69**
Expenses				
Cost of materials consumed		2,658.20		2,658.20
Purchases of stock-in-trade		40,342.64	-	40,342.64
Changes in inventories of finished goods and traded goods		1,030.11	-	1,030.11
Excise duty on sale of goods				17.47
Employee benefits expense		1,893.29	(5.92)	1,887.37
Finance cost		1,979.68	(1,489.97)	489.71
Depreciation and amortization expenses		21.59	-	21.59
Other expenses		4,445.76	1,924.95	6,370.71
Total Expenses		**52,371.27**	**446.53**	**52,817.80**
Profit before tax		**1,432.92**	(2,119.03)	**(686.11)**
Tax expenses:-				
Current tax		569.27	-	569.27
Deferred tax		-62.93	-	(62.93)
			-	
Profit/(Loss) for the Year		**926.58**	**(2,119.03)**	**(1,192.45)**
A (i) Items that will not be reclassified to profit or loss		-		(5.92)
(ii) Deferred tax relating to items that will not be reclassified to profit or loss		-		2.05
Total Comprehensive Income for the period		**926.58**		**(1,196.32)**

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Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended 31 March, 2016

(Rs. In Lacs)

Particulars	Previous GAAP	Reclassification Adjustments *	Ind AS
Net cash flow from operating activities	(5,385)	6,590	1,205
Net cash flow from investing activities	3,487	(8,322)	(4,835)
Net cash used in financing activities	(590)	7,617	7,027
Net increase/decrease in cash and cash equivalents	**(2,488)**	**5,885**	**3,397**
Cash and cash equivalents as at April 1, 2015	3,565	(2,488)	1,077
Cash and cash equivalents as at 31 March, 2016	**1,077**	**3,397**	**4,474**

* The adjustments above are on account of reclassification of the previous GAAP numbers to conform to Ind AS presentation requirements.

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SWAL CORPORATION LIMITED
Notes to Accounts for the year ended 31st March, 2017

2.01 PROPERTY, PLANT AND EQUIPMENT

Following are the changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2017

TANGIBLE ASSETS

Rs. in Lac

ITEMS OF FIXED ASSETS		Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
GROSS BLOCK	As at 1.4.2016	62.05	8.70	3.21	8.75	60.84	**143.55**
	Addition	0.17	0.37	-	-	9.34	**9.88**
	Adjustments	-	-	-	-	-	**-**
	Deletion	7.80	0.19	-	-	0.92	**8.91**
	As at 31.03.2017	54.41	8.88	3.21	8.75	69.26	**144.51**
DEPRECIATION	As at 1.4.2016	13.29	2.92	1.99	1.55	48.09	**67.84**
	Adjustments	-	-	-	-	-	**-**
	For the Year	3.99	0.77	0.40	1.09	9.53	**15.78**
	Deletion	3.94	0.19	-	-	0.92	**5.05**
	As at 31.03.2017	13.35	3.50	2.39	2.64	56.70	**78.58**
NET BLOCK	As at 31.3.2017	41.07	5.38	0.82	6.10	12.56	**65.93**
	As at 31.3.2016	48.76	5.78	1.22	7.19	12.75	**75.70**

INTANGIBLE ASSETS

ITEMS OF FIXED ASSETS		Business Rights Crop Health	Total
GROSS BLOCK	As at 1.4.2016	50.64	**50.64**
	Addition	-	**-**
	Adjustments*	-	**-**
	Deletion	-	**-**
	As at 31.03.2017	50.64	**50.64**
DEPRECIATION	As at 1.4.2016	31.04	**31.04**
	Adjustments*	-	**-**
	For the Year	7.13	**7.13**
	Deletion	-	**-**
	As at 31.03.2017	38.17	**38.17**
NET BLOCK	As at 31.3.2017	12.47	**12.47**
	As at 31.3.2016	19.60	**19.60**

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Following are the changes in the carrying value of Property, Plant and Equipment for the year ended March 31, 2016

TANGIBLE ASSETS

ITEMS OF FIXED ASSETS		Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
GROSS BLOCK	As at 1.4.2015	55.81	5.96	2.03	8.75	47.07	**119.62**
	Addition	5.78	2.61	0.65	-	9.17	**18.21**
	Adjustments	0.46	0.13	0.53	-	4.60	**5.72**
	Deletion	-	-	-	-	-	**-**
	As at 31.3.2016	62.05	8.70	3.21	8.75	60.84	**143.55**
DEPRECIATION	As at 1.4.2015	8.77	2.09	0.95	0.46	35.39	**47.66**
	Adjustments*	0.46	0.13	0.53	-	4.60	**5.72**
	For the Year	4.06	0.70	0.51	1.09	8.10	**14.46**
	Deletion	-	-	-	-	-	**-**
	As at 31.3.2016	13.29	2.92	1.99	1.55	48.09	**67.85**
NET BLOCK	As at 31.3.2016	48.76	5.78	1.22	7.19	12.75	**75.70**
	As at 31.3.2015	47.04	3.87	1.08	8.29	11.68	**71.96**

INTANGIBLE ASSETS

ITEMS OF FIXED ASSETS		Business Rights Crop Health	Total
GROSS BLOCK	As at 1.4.2015	50.64	**50.64**
	Addition	-	**-**
	Adjustments*	-	**-**
	Deletion	-	**-**
	As at 31.3.2016	50.64	**50.64**
DEPRECIATION	As at 1.4.2015	23.91	**23.91**
	Adjustments*	-	**-**
	For the Year	7.13	**7.13**
	Deletion	-	**-**
	As at 31.3.2016	31.04	**31.04**
NET BLOCK	As at 31.3.2016	19.60	**19.60**
	As at 31.3.2015	26.73	**26.73**

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Notes to Accounts for the year ended 31st March, 2017

2.02 Investments

Rs. in Lac

Particulars	As at		
	31-Mar-17	**31-Mar-16**	**01-Apr-15**
A Non-Current Investments			
i Investments in Equity Instruments			
Wholly Owned Subsidiary Company-Optima Farm Solutions Ltd.			
15,49,994 (Previous year -15,49,994) Equity shares of Rs.10 each, fully paid	235.00	235.00	235.00
Associate Company-Universal Pestochem (Industries) Pvt. Ltd.	18.13	18.13	18.13
18,130 (Previous year 18,130) Equity shares of Rs.100 each, fully paid			
Less: Provision for diminution in value of Investments	(18.13)	(18.13)	(18.13)
	235.00	**235.00**	**235.00**
ii Investment in Limited Liability Partnership*			
United Phosphorus (India) LLP	48.03	0.50	0.50
United Phosphorus (Global) LLP	0.57	0.50	0.50
	48.60	**8.15**	**1.00**
iii Investments in Government or trust securities			
National Savings Certificates	0.03	0.03	0.03
	0.03	**0.03**	**0.03**
iv Investment in Debentures			
Nil (Previous Year Nil) Unlisted Redeemable Secured Optionally Convertible Debentures of Rs. 1,00,00,000 each in Gowal Consulting Services Pvt. Ltd., at fair value net of tax	-	-	5,224.95
	-	**-**	**5,224.95**
Total Non-current Investment	**283.63**	**243.18**	**5,460.98**
(i) Aggregate amount of unquoted investments	283.63	243.18	5,460.98
(ii) Aggregate amount of quoted investments	-	-	-
(iii) Aggregate provision for diminution in value of investments	18.13	18.13	18.13

***Details Of Investment In Partnership Firms**

Particulars	Capital Contribution by	
	UPL Limited	**SWAL**
1. United Phosphorus (India) LLP	912.47	48.03
2. United Phosphorus (Global) LLP	10.88	0.57

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2.03 Loans **(Rs. In Lacs)**

Particulars	Long Term As at			Short Term As at		
	31-Mar-17	**31-Mar-16**	**01-Apr-15**	**31-Mar-17**	**31-Mar-16**	**01-Apr-15**
Unsecured, considered good						
Loans and Advances to related parties						
Optima Farms Solution Limited (Wholly Owned Subsidiary Company) The Long Term Loan carries interest rate of 13% p.a.and is received after three years from the date of payment) (The short term loan is payable on call at the rate of interest of 13% p.a.)	500.00	-	-	515.00	215.00	816.42
Loans and Advances to Other Parties	-	-		5,641.00	926.00	300.00
Unsecured, considered doubtful						
Other Loans and Advances	42.06	42.06	42.06	-	-	
Provision for doubtful Loans and Advances	(42.06)	(42.06)	(42.06)	-	-	
Total	**500.00**	**-**	**-**	**6,156.00**	**1,141.00**	**1,116.42**

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Notes to Accounts for the year ended 31st March, 2017

2.04 Non Current Tax Assets (Net)

(Rs. in Lac)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Advance Income-Tax (net of provision for taxation of Rs.3,850.02 Lac Previous Year Rs.3,674.04 Lac)	578.06	310.15	240.70
Total	**578.06**	**310.15**	**240.70**

2.05 Deferred Tax Asset (Net)

(Rs. in Lac)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Deferred tax liability			
On account of Depreciation	2.40	3.18	0.96
On account of Gratuity Fund	8.47	12.46	16.36
Gross Deferred tax liability	**10.87**	**15.64**	**17.32**
Deferred Tax Asset			
On account of Disallowances			
Provision for Doubtful Debts	295.93	440.06	389.77
Provision for doubtful advances	13.91	14.56	14.56
Provision for Diminution in Value of shares	6.00	6.27	6.27
Provision for Leave Encashment	80.17	38.48	27.38
Provision for Gratuity- Contractors	12.21	12.78	10.87
Gross Deferred Tax Asset	**408.22**	**512.15**	**448.85**
Deferred Tax Asset (Net)	**397.35**	**496.51**	**431.53**

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Notes to Accounts for the year ended 31st March, 2017

2.06. OTHER NON FINANCIAL ASSETS

(Rs. in Lac)

Particulars	Long Term As at			Short Term As at		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Security Deposits	46.57	43.25	37.29	3.68	3.98	5.47
Export Benefits Receivable	-	-	-	3.28	1.17	0.61
Advance against Purchase of Property	1,024.40	524.10	-	-	-	-
Other Loans and Advances						
Advance to Suppliers	-	-	-	166.56	173.05	339.63
Prepaid expenses	-	-	-	11.63	11.56	7.86
Advance to employees	-	-	-	20.61	28.04	25.07
Gratuity fund balance (net)	27.37	34.39	43.98	4.44	7.54	3.30
Vat Receivable	-	-	-	185.71	121.29	98.24
Total	**1,098.34**	**601.74**	**81.27**	**395.91**	**346.63**	**480.18**

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Notes to Accounts for the year ended 31st March, 2017

2.07 Inventories (At cost or net realizable value whichever is lower)

(Rs. in Lac)

Particulars	As at		
	31-Mar-17	31-Mar-16	01-Apr-15
Raw Materials	218.02	623.01	612.32
Packing Material	35.92	21.92	28.17
Finished goods	36.13	24.27	18.92
Traded goods	11,849.32	11,529.81	12,565.27
	12,139.39	**12,199.01**	**13,224.68**

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Notes to Accounts for the year ended 31st March, 2017

2.08 Trade receivables

(Rs. in Lac)

Particulars	As at 31-Mar-17	31-Mar-16	01-Apr-15
Outstanding for a period exceeding six months from the date they are due for payment*			
Unsecured, considered good	1,382.95	678.80	504.52
Unsecured, considered doubtful	874.14	1,255.74	1,124.16
	2,257.09	**1,934.54**	**1,628.68**
Less: Allowance for doubtul trade receivable	(874.14)	(1,255.74)	(1,124.16)
	1,382.95	**678.80**	**504.52**
Other receivables*			
Unsecured, considered good	15,102.21	10,485.60	9228.83
Unsecured, considered doubtful	585.03	15.82	2.08
	15,687.24	**10,501.42**	**9,230.91**
Less: Allowance for doubtul trade receivable	(585.03)	(15.82)	(2.08)
	15,102.21	**10,485.60**	**9,228.83**
Total	**16,485.16**	**11,164.40**	**9,733.35**

*Nil (PY Rs. 13.94 Lac) recoverable from Optima Farm Solutions Limited (Wholly Owned subsidiary Company)

Exepected Credit Loss

Management measures Expected Credit Loss (ECL) in one part, by placing reliance on historical information, and on the other part, by allocating grades to every exposure and then assigning scores.

1) With respect to historical information, for every exposure:

·the existing long-standing overdue amounts (> 270 days) are plotted in the relevant overdue ageing bucket:

o Not Due
o 1 to 60 days overdue
o 61 to 180 days overdue
o 181 to 270 days overdue
o Greater than 270 days overdue

in respective previous financial quarters
· After this, for 20 previous financial quarters, the percentage of such amounts to the total overdue in each of the ageing bucket is derived
· Then, the average (over 20 previous financial quarters) of such percentages for every ageing bucket is calculated.

Average percentages of every ageing bucket so derived are then applied to the respective overdue ageing buckets as of the reporting date to arrive at the ECL based on historical information.

2) With respect to the other part of ECL, every exposure is assessed on three parameters:

· Historical payment track record
· Credit Insurance Limit
· Country Rating

and accordingly graded. These grades are assigned scores. Depending on the score, a pre-set percentage is determined and applied to the exposure to arrive at the ECL based on scores assigned.

Thus, for every exposure, ECL is determined by taking sum of the amounts arrived based on historical information and grading.

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2.09 (A) Cash and Cash Equivalents

(Rs. in Lac)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Balances with banks	4,471.67	1,074.55	3,562.42
Cash on hand	1.39	1.66	1.56
	4,473.06	**1,076.21**	**3,563.98**

2.09 (B) Other Banks Balances

(Rs. in Lac)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Fixed Deposit with bank as margin money*	1.00	1.00	1.00
	1.00	**1.00**	**1.00**

* Held with bank towards margin money of guarantee and is due within 12 months.

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2.10 Other Current Assets

(Rs. in Lac)

Particulars	As at		
	31-Mar-17	31-Mar-16	01-Apr-15
Unsecured, considered good			
Interest Receivable	278.23	93.04	40.17
Interest accrued on Investment	-	-	0.16
Total	**278.23**	**93.04**	**40.33**

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Notes to Accounts for the year ended 31st March, 2017

2.11 Share Capital

(Rs. in Lac)

Particulars	As at		
	31-Mar-17	31-Mar-16	01-Apr-15
Authorized shares			
3,000,000 (Previous Year 3,000,000) Equity shares of Rs.10 each	300.00	300.00	300.00
800,000 (Previous Year 800,000) - Non - Cumulative Non-Convertible Preference shares of Rs.100 each	800.00	800.00	800.00
	1,100.00	**1,100.00**	**1,100.00**
Issued, subscribed and fully paid-up shares			
1,000,007 (Previous Year 1,000,007) Equity shares of Rs.10 each	100.00	100.00	100.00
Total issued, subscribed and fully paid-up share capital	**100.00**	**100.00**	**100.00**

1. All the above Equity Shares are held by holding company, UPL Limited.

2. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

There is no increase / decrease in the shares during current and previous year

3. Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4. Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment including the terms and amount

There are no reservations done for on account of shares during the year.

5. Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash/bonus shares during period of five years immediately preceding the balance sheet date

There were no issue of shares without payment being received in cash or as bonus shares during last five years preceding the date of balance sheet.

6. Aggregate number of shares bought back during the period of five years immediately preceding the balance sheer date

There was no buy back of shares during the period of five years immediately preceding the balance sheet date.

7. Calls unpaid /Forfeited shares
There are no calls unpaid and also no forfeited shares as on the balance sheet date.

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Notes to Accounts for the year ended 31st March, 2017

2.12 Borrowings

(Rs. in Lac)

Particulars	Long Term As at			Short Term As at		
Unsecured	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Loan for Citi Bank		-	-	4,900.00	-	-
Loan from Holding Company	-	2,700.00	2,700.00	8,150.00	1,400.00	1,500.00
Nil (Previous Year 702,000) 4% Non-Cumulative Non-Convertible Preference shares of Rs.100 each	-	-	702.00	-	702.00	-
Total	-	2,700.00	3,402.00	13,050.00	2,102.00	1,500.00

The Long Term Loan carries interest rate of 13% p.a.and is repayable after five years from the date of receipt i.e.31st March 2013)

The Short Term Loan from Holding Company carries interest rate of 13% p.a. and is repayable on call.

The Short Term Loan of Rs. 2500 Lac and Rs 2400 Lacs from Citi Bank carries interest rate of 5.69% and 5.56% and is repayable on June 29th 2017 and June 30th 2017 respectively.

2.13 Provisions

(Rs. in Lac)

Particulars	Long Term As at			Short Term As at		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Net employee defined benefit liabilities	209.75	84.90	75.06	32.75	26.28	4.07
Total	209.75	84.90	75.06	32.75	26.28	4.07

2.14 Trade Payables

(Rs. in Lac)

Particulars	As at		
	31-Mar-17	31-Mar-16	01-Apr-15
Trade payables			
a) For Goods			
- Outstanding due to MSMED	56.33	52.33	53.64
- Outstanding due to other than MSMED	13,924.86	5,484.54	15,002.42
b) For Services	134.26	90.76	71.42
Total	14,115.45	5,627.63	15,127.48
Amount due to Holding Company	11,035.10	4,101.78	14,254.98
Amount due to Subsidiary Company	915.49	82.36	-

2.15 Other Current Liabilities

(Rs. in Lac)

Particulars	As at		
	31-Mar-17	31-Mar-16	01-Apr-15
Advance from Customers	1,361.49	4,356.55	1,405.83
Trade Deposits	1,163.19	929.48	707.37
Interest accrued but not due on deposits	26.52	25.38	105.38
Other Liabilities			
Outstanding expenses	5,940.30	4,974.95	3,982.96
Statutory Dues	159.80	91.12	128.83
Accrued Salaries and Benefits	154.56	127.28	115.21
	8,805.86	10,504.76	6,445.58

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Notes to Accounts for the year ended 31st March, 2017

2.16 Revenue from operations

(Rs. in Lac)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Sale of products	60,356.48	51,709.87
Others	5.39	11.71
	60,361.87	51,721.58
Other operating revenue		
Export Incentives	3.28	3.58
Miscellaneous Receipts	346.76	75.89
Revenue from operations	**60,711.91**	**51,801.05**

2.17 Other Income

(Rs. in Lac)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Interest income	729.99	236.73
Excess Provisions in respect of earlier years written back (Net)	323.85	87.64
Doubtful Debts Written Back (net)	376.52	-
Income from Investment	-	0.15
Exchange Difference (Net)	27.88	-
Sundry Credit Balances Written Back (Net)	45.46	5.08
Rent Received	0.12	1.04
	1503.82	**330.64**

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2.18 Cost of Materials Consumed

(Rs. in Lac)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Raw Material Inventory at the beginning of the year	623.01	612.32
Add: Purchases	2,041.37	2,668.89
	2,664.38	3,281.21
Less: Raw Material inventory at the end of the year	218.02	623.01
Cost of materials consumed*	**2,446.36**	**2,658.20**

*Material comprises more than 10% of Consumption are as under:

	31-Mar-17	31-Mar-16
DI AMMONIUM PHOSPHATE	19.97%	20.61%
MURIATE OF POTASH (50 KG)	14.21%	17.88%
BONEMEAL	38.22%	34.23%
LEATHERMEAL	12.96%	12.26%
OTHERS	14.64%	15.02%
	100.00%	100.00%

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Notes to Accounts for the year ended 31st March, 2017

2.19 (Increase)/ Decrease in inventories

(Rs. in Lac)

Particulars	31-Mar-17	31-Mar-16	(Increase) / decrease
Inventories at the end of the year			
Finished goods	36.13	24.27	(11.86)
Traded Goods	11,849.32	11,529.81	(319.51)
	11,885.45	**11,554.08**	**(331.37)**
Inventories at the beginning of the year			
Finished goods	24.27	18.92	(5.35)
Traded Goods	11,529.81	12,565.27	1,035.46
	11,554.08	**12,584.19**	**1,030.11**
Net (Increase)/ Decrease In Inventory	**(331.37)**	**1,030.11**	**1,361.48**

2.20 Employee Benefits Expense

(Rs. in Lac)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Salaries, wages and bonus	1,747.21	1,550.17
Contribution to provident and other funds	138.57	137.32
Retirement Benefits	181.59	86.04
Staff welfare expenses	88.28	113.84
	2,155.65	**1,887.37**

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Notes to Accounts for the year ended 31st March, 2017

2.21 Finance Cost

(Rs. in Lac)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Interest to Holding Company	1,190.05	476.98
Other Interest	14.18	0.34
Other Financial Charges	16.33	12.39
	1,220.56	**489.71**

2.22 Other Expenses

(Rs. in Lac)

Particulars	Year Ended March 31st, 2017	Year Ended March 31st, 2016
Consumption of stores and spares	0.39	0.50
Power & Fuel	0.34	-
Sub-contracting expenses	190.25	173.32
Rent	286.89	200.98
Rates and taxes	106.32	99.65
Insurance	94.19	91.25
Repairs and maintenance		
Plant and machinery	1.57	0.41
Others	2.88	7.83
Exchange Difference	-	1.10
Royalty Charges	-	
Commision in Sales	20.52	164.33
Sundry Debit Balance	8.37	-
Advertising and Sales Promotion	1,193.58	958.98
Travelling and conveyance	909.96	752.31
Charity & Donations	49.00	43.50
Legal and professional fees	213.37	87.49
Loss on Investment	-	1,924.95
Assets written off	3.87	-
Payment to auditor (Refer details below)	15.47	11.66
Containers & Packing Materials Consumed	185.22	157.57
Transport Charges	1,322.27	1,107.95
Provision for doubtful debts and advances	-	145.32
Clearing and Forwarding expense	204.87	292.05
Other Expenses	161.04	149.56
	4,970.37	**6,370.71**

Payment to Auditor (Rs. in Lac)

	31-Mar-17	31-Mar-16
Statutory Audit fees (Excl. service tax)	13.50	9.50
Others	1.50	2.00
Reimbursement of expenses	0.47	0.16
	15.47	**11.66**

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

SWAL CORPORATION LTD.

SWAL CORPORATION LIMITED
Notes to Accounts for the year ended 31st March 2017

2.23 Earning per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Rs. in Lac except per share data

Particulars		Year Ended March 31st, 2017	Year Ended March 31st, 2016
Basic / Diluted Earning Per Share:			
Profit after taxation as per Profit and Loss Account	(A)	492.24	(1,196.32)
Weighted average number of Equity Shares Outstanding	(B)	1,000,007	1,000,007
Basic/Diluted Earning Per Share (in Rupees)	(A)/(B)	49.22	(119.63)
Nominal value of equity share (in Rupees)		10.00	10.00

Note

The dividend on preference shares is not considered as the same is not declared and is non cumulative.

Pursuant to the Companies (Indian Accounting Standard) Rules, 2015, the Company has adopted March 31, 2016 as reporting date for first time adoption of Indian Accounting Standard (Ind-AS) and April 1, 2014 as transition date for preparation of financial statements. Accordingly, Statement of Profit and Loss for the financial year 2014-15 has been restated. The effects on basic and dilued EPS on adoption of Ind-AS from those reported as per previous GAAP are as under:

Particulars		2015-16 As reported as per previous GAAP	2015-16 As per revised IND AS
Profit/(Loss) attributable to the Equity Shareholders (Rs. In Lacs)	(A)	926.58	(1,196.32)
Weighted average number of Equity Shares Outstanding	(B)	1,000,007	1,000,007
Basic / Diluted Earning Per Share: (In Rs.)	(A/B)	92.66	(119.63)

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Notes to Accounts for the year ended 31st March 2017

2.24 Retirement Benefits:

Disclosure as required by Indian Accounting Standard (IND AS) - 19 "Defined Benefits Plans" prescribed under section 133 of the Act read with Rule 3 of companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards)Amendment Rules 2016

(Rs. in Lac)

	Gratuity	
	As at 31st March, 2017	**As at 31st March, 2016**
Change in Benefit obligation		
Opening defined benefit obligation	84.99	69.60
Interest cost	5.82	5.49
Current service cost	25.68	21.74
Benefits paid	(6.74)	(18.57)
Actuarial (gains)/loss on obligation	0.04	6.74
Closing defined benefit obligation	**109.79**	**85.00**
Change in Plan Assets		
Opening fair value of plan assets	126.93	116.88
Expected return	8.69	10.52
Contributions made by employer during the year	-	-
Benefits paid	-	-
Actuarial Gain/(Loss) on plan assets	5.99	(0.46)
Closing fair value of plan assets	**141.61**	**126.94**

	Gratuity	
	Year Ended March 31, 2017	**Year Ended March 31, 2016**
Current service cost	25.67	21.74
Interest cost on benefit obligation	(2.87)	5.50
Expected return on plan assets	-	(10.52)
Net actuarial (gain)/loss recognised during the year	-	7.21
Current service cost	**22.80**	**23.93**

	Gratuity	
	Year Ended March 31, 2017	**Year Ended March 31, 2016**
Net actuarial (gain)/loss recognised during the year	0.04	7.21
Expected return on plan assets	(5.99)	(10.52)
	(5.95)	**(3.31)**

	Gratuity	
	Year Ended March 31, 2017	**Year Ended March 31, 2016**
Discount Rate	6.85%	7.90%
Annual Increase in salary cost	7.00%	7.00%
Expected Return on Plan Assets	6.85%	9.00%
Mortality Rate	Indian Assured Live Mortality (2006-08) Ult.	Indian Assured Live Mortality (2006-08) Ult.
Funds Managed by Insurer	100.00	100.00
Retirement Age	58 Yrs	58 Yrs

As of March 31,2017, every percentage point increase in discount rate will effect our gratuity benefit and obligation by approximately 100.41 lacs.

As of March 31,2017, every percentage point decrease in discount rate will effect our gratuity benefit and obligation by approximately 120.82 lacs.

As of March 31,2017, every percentage point increase in salary will effect our gratuity benefit and obligation by approximately 120.70 lacs.

As of March 31,2017, every percentage point decrease in salary will effect our gratuity benefit and obligation by approximately 100.34 lacs.

Maturity Profile of defined benefit obligation

	(Rs in Lacs)
Year 1	15.33
Year 2	4.01
Year 3	3.07
Year 4	5.32
Year 5	11.67
Year 6 to Year 10	18.76

(Rs. in Lac)

(ii) Defined Contribution Plan	**Provident Fund**	
	Year Ended March 31, 2017	**Year Ended March 31, 2016**
Current service cost	66.98	64.98

(Rs. in Lac)

(iii) Defined Contribution Plan	**Superannuation Fund**	
	Year Ended March 31, 2017	**Year Ended March 31, 2016**
Current service cost	71.59	72.84

The estimates of future salary increases, considered in actuarial valuation, takes

SWAL CORPORATION LIMITED
Notes to Accounts for the year ended 31st March 2017

2.25 Related Party Transactions

Related Party disclosure as required by Indian Accounting Standard (IND AS) - 24 "Related Party Disclosures"

Relationship:

(A) Name of the Holding company
UPL Limited

(B) Name of the Subsidiary Company
Optima Farm Solutions Limited - Wholly owned subsidiary company

(C) Enterprises over which Key Management Personnel and their relatives have significant influence having transactions during the year
UPL (India) LLP
Gharpure Engineering and Construction Private Limited
Urbania Realty LLP

(D) Key Management Personnel
Mr K R Srivastava - Managing Director
Mr. Rajnikant D. Shroff
Mrs Asha A Ashar
Mr. Salim P Govani
Mr. Bhupendrakumar D. Dalwadi

The following transactions were carried out with the Related parties in the ordinary course of business:

(Rs. in Lac)

NATURE OF TRANSACTIONS	UPL Holding Company		Optima Farm Solutions Limited Wholly Owned Subsidiary Company		Ultima Search Enterprises over which Key Management Personnel and their relatives have significant influence		Gharpure Engineering and Construction Private Limited Enterprises over which Key Management Personnel and their relatives have significant influence		UPL (India) LLP Enterprises over which Key Management Personnel and their relatives have significant influence		Urbania Realty LLP Enterprises over which Key Management Personnel and their relatives have significant influence		Grand Total	
	April 16 to March 17	April 15 to March 16	April 16 to March 17	April 15 to March 16	April 16 to March 17	April 15 to March 16	April 16 to March 17	April 15 to March 16	April 16 to March 17	April 15 to March 16	April 16 to March 17	April 15 to March 16	April 16 to March 17	April 15 to March 16
Expenses														
Purchase	40,429.08	35,598.83	1,806.37	207.36	-	-	-	-	-	-	-	-	42,235.45	35,806.19
Interest Expenses	1,190.05	476.98	-	-	-	-	-	-	-	-	-	-	1,190.05	476.98
Interest Income		-	120.27	108.64			85.90	82.52	1.59	-	-	-	207.76	191.16
Other Expenses	300.59	277.52		-		-	-	-	-	-	-	-	300.59	277.52
Reimbursement of Expenses	-	-	51.84	6.31	-	0.01	-	-	10.55	-	-	-	62.39	6.32
Sales	31.22	-												
Assets														
Advance given for property purchase	-	-	-	-	-	-	-	-	-	-	500.30	524.10	500.30	524.10
Loan granted	-	-	800.00	25.00	-	-	900.00	1,110.00	410.00	-	-	-	2,110.00	1,135.00
Loan Refund	-	-	-	626.42	-	-	1,660.00	350.00	410.00	-	-	-	2,070.00	976.42
Liabilities														
Loan taken	8,950.00	1,400.00	-	-	-	-	-	-	-	-	-	-	8,950.00	1,400.00
Loan repaid	4,900.00	1,500.00	-	-	-	-	-	-	-	-	-	-	4,900.00	1,500.00
Outstanding at the year end														
Inter-corporate loan														
UPL	8,150.00	4,100.00											8,150.00	4,100.00
Optima Farm Solutions Limited	-	-	1,015.00	215.00	-	-	-	-	-	-	-	-	1,015.00	215.00
Gharpure Engineering and Construction Private	-	-	-	-	-	-	-	760.00	-	-	-	-	-	760.00
Advance given for property purchase	-	-	-	-	-	-	-	-	-	-	1,024.40	524.10	1,024.40	524.10
Payable														
Holding Company	11,035.10	4,101.77		-	-	-	-	-	-	-			11,035.10	4,101.77
Optima Farm Solutions Limited	-	-	915.49	82.37	-	-	-	-	-	-				
Ultima Search	-	-		-	-	0.11	-	-	-	-			-	0.11
Receivable at the year end														
Optima Farm Solutions Limited			-	13.94	-	-	-	-	-	-			-	13.94
UPL (India) LLP									10.55					
Gharpure Engineering and Construction Private Limited					-	-	-	82.52	-	-			-	82.52

SWAL CORPORATION LIMITED
Notes to Accounts for the year ended 31st March 2017

2.26 Contingent Liabilities and Commitments

(Rs. in Lac)

Particulars	31-Mar-17	31-Mar-16
Claims against the company not acknowledged as debts		
(a) Universal Pestochem Industries India Pvt. Ltd for their claim filed in the court	965.19	861.78
(B) Others	106.94	80.30
	1,072.13	**942.08**

2.27 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(Rs. in Lac)

Particulars	31-Mar-17	31-Mar-16
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	56.33	52.33
Interest due on above	-	-
	56.33	52.33
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006".

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SWAL CORPORATION LTD. * BANDRA MUMBAI

SWAL CORPORATION LIMITED
Notes to Accounts for the year ended 31st March 2017

2.28 Imported and indigenous raw materials, components and spare parts consumed

Particulars	% of Total consumption 31-Mar-17	Value (Rs.in Lac) 31-Mar-17	% of Total consumption 31-Mar-16	Value (Rs.in Lac) 31-Mar-16
Raw Materials				
Imported	0.00%	-	0.00%	-
Indigenous	100.00%	2,446.36	100.00%	2,658.20
	100.00%	**2,446.36**	**100.00%**	**2,658.20**

* In giving the above information, the Company has taken the view that Components and Spare parts as referred to in Clause 49 ('c) of Part II of Schedule VI cover only such items as go directly into production and not those used as spares for repairs and maintenance of Plant and Machinery.

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Notes to Accounts for the year ended 31st March 2017

2.29 Activity in Foreign Currency

(Rs. in Lac)

	31-Mar-17	31-Mar-16
Expenditure in foreign currency		
Exchange Difference	3.83	1.10
Others	30.29	1.64
	34.12	**2.74**
Earnings in foreign currency		
Export of goods calculated on FOB basis	561.80	180.51
Exchange Difference	31.71	-
	593.51	**180.51**

SWAL CORPORATION LIMITED

Notes to Accounts for the year ended 31st March 2017

2.30 Tax Reconciliation		**(Rs. In Lacs)**
Annual ETR		
Total Profits		726.92
Less: taken to OCI		5.95
- Actuarial gain/loss on provision for Gratuity an Leave encashment	5.95	
- Fair value of investments through OCI	-	
Profit before Tax		720.97
Tax Rate		33.06%
Tax Expense for the Year		33.06%
Add/(Less) - Impact of Permanent Difference:		
Charity and Donations (net)	10.41	1.44%
Disallowance in respect of Penalty	1.70	0.24%
Disallowance for earning exempt income U/S 14A		0.00%
Deduction Under section 32AC		0.00%
Diminution in value of investment		0.00%
Depreciation Adjusted in Reserve - Intangible assets		0.00%
Sec 35 (AB) Deduction		0.00%
Sec 35 (AB) Deduction- Capital		0.00%
Share of Profit in LLP		0.00%
Reversal of MAT credit - earlier years		0.00%
Notional deferred tax on fair value of investments deferred tax at different rate		0.00%
LTCG taxable at different rate		0.00%
Royalty income taxable at different rate		0.00%
Deferred tax on OCI items		0.00%
		1.68%
ETR (A)		**34.74%**
Current Tax	175.98	24.41%
MAT Entitlement		0.00%
Deferred Tax	97.19	13.48%
Deferred Tax Libility on OCI-directly debited to assets ac and credited to res and surplus ac		0.00%
Difference in Opening rate of Tax and closing rate of Tax charged on Opening balance	(22.73)	-3.15%
Total Tax (B)		**34.74%**
MAT Reversal of earlier years		0.00%
Difference in Rate (A-B)		**0.00%**

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SWAL CORPORATION LTD. * MUMBAI

2.31 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below

Market Risk
Market risk is the risk that the fair value of future cash flows of a financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Foreign Currency Risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).
The Company manages its foreign currency risk by hedging transactions that are expected to realise in future.

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of actual sales and purchases and 12-month period for foreign currency loans.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company hedges its exposure to fluctuations on the foreign currency loan by using foreign currency swaps and forwards.

Equity Price Risk
The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The investment in unlisted equity securities is not material.

Credit Risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

2.32 The Company operates only in one segment i.e. Agro activity, hence the requirement of segment reporting pursuant to Indian Accounting Standard 108 are not applicable.

2.33 In the opinion of the board, the current assets, loans and advances (net of provisions) are approximately of the value stated, if realized in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate and not in excess of amounts reasonably necessary.

2.34 Details of Loans given to other Body Corporates u/s 186 of the Companies' Act 2013

(Rs. In Lac)

Name of the Company	Amount of loan given	Outstanding as on March 17
Harsora Hotels Pvt. Ltd.	-	141
Tatva Global Environment Limited	3,572	-
Gharpure Eng & Construction Pvt. Ltd.	900	-
United Phosphorous (India) LLP	410	-
Bombay Dyeing	1,000	-
EMU Realcon Pvt. Ltd	5,000	5,000
Premier Ltd	500	500
Total	**11,382**	**5,641**

2.35 Balances of certain sundry debtors, creditors, deposit and other debit and credit balances are subject to confirmation and reconciliation. Adjustments, if any, in this regard would be carried out as and when ascertained, which in view of the management would not be material.

2.36 Details of Specified Bank Notes(SBNs) held and transacted during the period 8th November, 2016 to 30th December, 2016 is highlighted below:-

(Amt. In Rs.)

Particulars	SBNs	Other Denomination Notes	Total
Total closing Cash in hand a on 8.11.2016	57,000	111,207	168,207
Add:-Permitted Receipts	-	424,425	424,425
Less:-Permitted Payments	-	373,520	373,520
Less:-Amount Deposited in bank	57,000	-	57,000
Total closing Cash in hand a on 30.12.2016	-	**162,112**	**162,112**

2.37 Capital commitment:- Rs. 8.79 Crrores

2.38 Employee Count (Own+Contract)=183

2.39 During the year 702000, 4% Non-Convertible Redeemable Non-Cumulative Preference Shares of Rs.100/- each which were redeemed on 30th March, 2017.

2.40 Previous year figures have been regrouped or re-arranged wherever necessary.

2.41 The amounts in the financial statements have been rounded off to nearest Lac.

As per our attached report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No.:-006711N/N500028

Vikas Kumar

Vikas Kumar
(Partner)
Membership No. 75363
Place : Mumbai
Date : 25th April, 2017

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

On behalf of the Board,

V. Srinivas
Company Secretary

K.R.Srivastava
Managing Director

R.D.Shroff
Director

Place : Mumbai
Date : 25th April, 2017

SWAL CORPORATION LTD. BANDRA MUMBAI 51.