OSWAL SPINNING AND WEAVING MILLS LTD.

Regd. & Corporate Office : No. 11 & 12, Ist Floor, Block F, Main Market,
Near Orient Cinema, BRS Nagar, LUDHIANA - 141 012 (INDIA)
PHONES. : +91-161-2463182, 83, 84 Fax : 0161-2463181
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CIN No. : L17111PB1955PLC001884
TIN No. : 03581067801

OSWM/2015/

DATE:- 14.11.2015

Bombay Stock Exchange Limited
1St Floor, Rotunda Bldg.,
B.S. Marg, Fort,
Mumbai 400 001.

KIND ATTN.: MR. S. SUBRAMANIAN, DCS-CRD

REG: UN-AUDITED QUARTERLY FINANCIAL RESULTS FOR THE QUARTER ENDED 30.09.2015

Sir,

Enclosed please find herewith Un-audited Quarterly Results for the Quarter ended 30.09.2015 alongwith a certified copy of the Auditors Limited Review Report on the same for your information and records.

Thanking you,

Yours faithfully,
FOR OSWAL SPINNING AND WEAVING MILLS LIMITED

DIRECTOR

Encl:- As Above

P. C. Goyal & Co.,

CHARTERED ACCOUNTANTS

62-New Lajpat Nagar, Pakhowal Road, Ludhiana.

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LIMITED REVIEW REPORT

To

The Board of Directors
OSWAL SPINNING AND WEAVING MILLS LIMITED

1. **Introduction:**

We have reviewed the accompanying statements of unaudited financial results of Oswal Spinning and Weaving Mills Limited ("the Company") for the quarter & six months ended on September 30, 2015 ("the Statement") being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement with the stock exchange except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

2. **Scope of Review:**

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

P.C. GOYAL & CO. LUDHIANA FRN-002368N CHARTERED ACCOUNTANTS

A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Emphasis of Matter :

We draw attention to the following matters in the Notes to the Unaudited Financial Results:

(i) Note 7(i) to the Unaudited Financial Results which describes that Gratuity Liability to employees has been made on accrual basis. The short/excess if any on the basis of Actuarial Valuation as per revised accounting standard AS - 15 "Employee Benefits" would be made in the audited accounts at the year end. Accordingly we are unable to

[redacted]

comment on the impact of the same on the results for the quarter & six months ended on September 30, 2015.

(ii) Note 7(ii) to the Unaudited Financial Results which describes that Deferred Tax Asset/Deferred tax Liability will be made at year end. Accordingly we are unable to

comment on the impact of the same on results for the quarter & six months ended on September 30, 2015.

(iii) Note 4 to the Unaudited Financial Results which describes that Kotak Mahindra Bank Ltd. has issued a notice under SARFAESI Act, 2002 demanding Rs. 63.43 crores from the Company in respect of various commitments, defaults, penalties and interest thereon

(iv) Note 5 to the Unaudited Financial Results which describes that State Bank of Patiala (SBOP) has filed an application before the Debts Recovery Tribunal (DRT) Chandigarh for recovery of an amount of Rs. 4.09 cr. (being NPV of Rs. 2.88 cr. of CRPS of Rs. 5.38 cr. and interest thereon). These CRPS have already been issued by the Company to the Bank. Further the Company had agreed to pay the NPV of CRPS because SBOP had informed

4. **Conclusion:**

Subject to 3 (i), (ii), (iii), (iv) and (v) above and based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards issued under the Companies (Accounting Standards) Rules, 2006 which continue to apply as per section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

For P.C. GOYAL & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 002368N)

P.C. GOYAL & CO. CHARTERED ACCOUNTANTS LUDHIANA FRN-002368N

DATED: 14.11.2015
PLACE: LUDHIANA

(CA. P.C. Goyal)
PARTNER
M. No. 080377

OSWAL SPINNING AND WEAVING MILLS LIMITED
REGD. OFFICE: NO. 11 & 12, 1ST FLOOR; BLOCK – F, MAIN MARKET,
NEAR ORIENT CINEMA, B.R.S. NAGAR, LUDHIANA 141012

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & SIX MONTHS ENDED 30.09.2015 (Rs. in lacs)

Sr. No.	PARTICULARS	THREE MONTHS ENDED 30.09.2015 (Un-Audited)	THREE MONTHS ENDED 30.09.2014 (Un-Audited)	THREE MONTHS ENDED 30.06.2015 (Un-Audited)	SIX MONTHS ENDED 30.09.2015 (Un-Audited)	SIX MONTHS ENDED 30.09.2014 (Un-Audited)	FY ENDED 31.03.15 (Audited)
1.(a)	Net Sales/Income from Operations	972.13	1976.14	1973.41	2945.54	4097.16	8930.8
(b)	Other Operating Income	0.48	17.87	10.77	11.25	41.80	72.32
	Total Income	**972.61**	**1994.01**	**1984.18**	**2956.79**	**4138.96**	**9003.12**
2.	**Expenditure**						
2.a	(Increase)/decrease in stock	354.69	(36.06)	563.01	917.70	(10.35)	76.66
2.b	Consumption of Raw Material	668.67	1043.74	1243.84	1912.51	2491.91	5501.35
2.c	Purchase of Traded goods	0.00	533.31	135.60	135.60	864.71	1602.57
2.d	Employees cost	100.45	169.78	165.57	266.02	346.67	680.60
2.e	Depreciation	17.15	24.00	16.97	34.12	48.00	148.57
2.f	Other Expenditures	199.75	333.96	448.30	648.05	735.40	1820.95
2.g	**Total**	**1340.71**	**2068.73**	**2573.29**	**3914.00**	**4676.34**	**9830.70**
3.	Profit/(loss) from Operations before other income, interest and exceptional items (1-2)	(368.10)	(74.72)	(589.11)	(957.21)	(337.38)	(827.58)
4.	Other Income	0.00	0.00	0.00	0.00	0.00	0.00
5.	Profit before interest and exceptional items (3+4)	(368.10)	(74.72)	(589.11)	(957.21)	(337.38)	(827.58)
6.	Interest	64.44	119.49	101.15	165.59	248.55	377.54
7.	Profit/(loss) after interest but before exceptional items (5-6)	(432.54)	(194.21)	(690.26)	(1122.80)	(585.93)	(1205.12)
8.	Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
9.	Profit/ (Loss) from Ordinary Activities before tax (7+8)	(432.54)	(194.21)	(690.26)	(1122.80)	(585.93)	(1205.12)
10.	Tax Expense	0.00	0.00	0.00	0.00	0.00	0.00
11.	Net Profit / (Loss) from Ordinary activities after tax (9-10)	(432.54)	(194.21)	(690.26)	(1122.80)	(585.93)	(1205.12)
12.	Extraordinary Items	0.00	0.00	0.00	0.00	0.00	0.00
13.	Net Profit / (loss) for the period (11-12)	(432.54)	(194.21)	(690.26)	(1122.80)	(585.93)	(1205.12)
14.	Paid up equity share capital (face value of Re.1/-per equity share)	909.29	909.29	909.29	909.29	909.29	909.29
15.	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						(619.13)
16.	Earnings Per Share (EPS)						
a.	Basic and diluted EPS before extraordinary items for the period, for the year to date and for the previous year	(0.47) (0.24)	(0.21) (0.10)	(0.76) (0.39)	(1.23) (0.63)	(0.64) (0.32)	(1.33) (0.68)
b.	Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	(0.47) (0.24)	(0.21) (0.10)	(0.76) (0.39)	(1.23) (0.63)	(0.64) (0.32)	(1.33) (0.68)
A	**Particulars of Shareholding**						
1	Public Shareholding - Number of shares	57197055	57197055	57197055	57197055	57197055	57197055
	- Percentage of Shareholding	62.72	62.72	62.72	62.72	62.72	62.72
2	Promoter & Promoter Group's Shareholding :						
a)	Pledged/Encumbered						
	- Number of Shares	12014465	12014465	12014465	12014465	12014465	12014465
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	35.33	35.33	35.33	35.33	35.33	35.33
	- Percentage of Shares (as a % of the total share capital of the Company)	13.17	13.17	13.17	13.17	13.17	13.17
b)	Non – encumbered						
	- Number of Shares	21989580	21989580	21989580	21989580	21989580	21989580
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	64.67	64.67	64.67	64.67	64.67	64.67
	- Percentage of Shares (as a % of the total share capital of the	24.11	24.11	24.11	24.11	24.11	24.11

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Company)

B Investors Complaints

Pending at the beginning of the Quarter	--	--	--	--	--	--
Received during the quarter	--	--	--	--	1	1
Disposed of during the quarter	--	--	--	--	1	1
Pending/unsolved at the end of the quarter	--	--	--	--	--	--
Capital Employed	1884.59	3624.60	2326.12	1884.59	3624.60	3005.29

STATEMENT OF ASSETS & LIABILITIES

S NO.	PARTICULARS	AS AT 30.09.2015 (UN-AUDITED)	AS AT 31.03.2015 (AUDITED)
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share capital	2619.60	2619.60
	(b) Reserves and surplus	(1731.48)	(608.67)
	(c) Money received against share warrants	0.00	0.00
	Sub-total - Shareholders' funds	**888.12**	**2010.93**
2	**Share application money pending allotment**	0.00	0.00
3	**Non-current liabilities**		
	(a) Long-term borrowings	911.39	904.24
	(b) Deferred tax liabilities (net)	0.00	0.00
	(c) Other long-term liabilities	0.00	0.00
	(d) Long-term provisions	85.06	90.12
	Sub-total - Non-current liabilities	**996.45**	**994.36**
4	**Current liabilities**		
	(a) Short-term borrowings	2038.45	1664.15
	(b) Trade payables	864.58	1496.63
	(c) Other current liabilities	624.00	580.61
	(d) Short-term provisions	58.14	63.76
	Sub-total - Current liabilities	**3585.17**	**3805.15**
	TOTAL - EQUITY AND LIABILITIES	**5469.74**	**6810.44**
B	**ASSETS**		
1	**Non-current assets**		
	a) Fixed assets	1766.12	1696.01
	(b) Non-current investments	16.19	16.19
	(c) Deferred tax assets (net	0.00	0.00
	(d) Long-term loans and advances	274.57	513.71
	(e) Other non-current assets	0.00	28.54
	Sub-total - Non-current assets	**2056.88**	**2354.45**
2	**Current assets**		
	(a) Current investments	0.00	0.00
	(b) Inventories	420.75	1578.81
	(c) Trade receivables	2619.68	2528.27
	(d) Cash and cash equivalents	40.28	66.01
	(e) Short-term loans and advances	164.02	340.34
	(f) Other current assets	168.13	42.56
	Sub-total - Current assets	**3412.86**	**4555.99**
	TOTAL - ASSETS	**5469.74**	**6810.44**

NOTES

1. The above audited results were reviewed by the Audit Committee and were approved by the Board of Directors at their meeting held on 14.11.2015.
2. Previous year/period's figures have been regrouped/rearranged recasted wherever necessary.
3. As the Company's business activity primarily falls within a single business segment, provision relating to segment reporting is not applicable.
4. Kotak Mahindra Bank Ltd. has issued a notice under SARFAESI Act, 2002 demanding Rs. 63.43 crores from the Company in respect of various commitments, defaults, penalties and interest thereon, which the Company has contested illegal and without any basis before the Hon. High Court of Punjab and Haryana. Further the company has paid Rs. 1.57 crores on account of EPC to Kotak Mahindra Bank Ltd. under Protest as per the Orders of Hon'ble High Court and Hon'ble High Court has stayed for issuance of notice under Section 13 (4) of under SARFAESI Act, 2002.
5. State Bank of Patiala (SBOP) has filed an application before the Debts Recovery Tribunal (DRT) Chandigarh for recovery of an amount of Rs. 4.09 cr. (being NPV of Rs. 2.88 cr. of CRPS of Rs. 5.38 cr. and interest thereon). These CRPS have already been issued by the Company to the Bank. Further the Company had agreed to pay the NPV of CRPS because SBOP had informed the Company that they had waived the amount of Rs. 5.29 cr. being interest payable by the Company to SBOP. However, later on it has transpired that instead of waiver. SBOP has transferred the interest of Rs. 5.29 cr. to Kotak Mahindra Bank Limited (KMBL) vide assignment agreement dated

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6.IFCI has filed an application before the Debts Recovery Tribunal (DRT) Chandigarh for recovery of an amount of Rs. 2347.02 lacs (Rs. 1269.82 lacs being amount of FITL and balance amount being interest thereon). IFCI has also filed a company petition with the Punjab and Haryana High Court under section 433, 434 & 439 for Recovery of the above mentioned amount/ winding up of the Company. The Company is contesting both the application and Company petition on the ground that by way of assignment of debt IFCI has assigned/transferred the entire dues including FITL of Rs. 1269.82 lacs payable by the Company to IFCI on 16.11.2007 in favour of