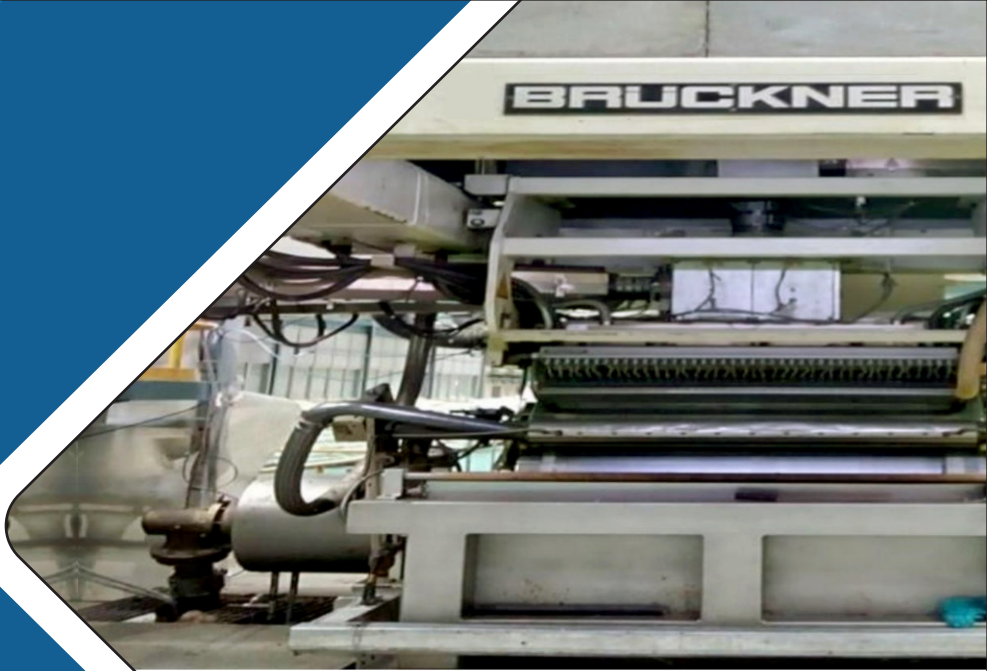




The Nahar Group



Nahar
POLY FILMS LIMITED



32nd Annual Report
2019-20

BOARD OF DIRECTORS

Mr. Jawahar Lal Oswal
Chairman

Mr. Dinesh Oswal
Director

Mr. Kamal Oswal
Director

Mr. Dinesh Gogna
Director

Mr. Sambhav Oswal
Executive Director

Mr. Satish Kumar Sharma
Executive Director

Dr. Manisha Gupta
Independent Director

Dr. Inder Mohan Chhibba
Independent Director

Dr. Suresh Kumar Singla
Independent Director

Dr. Yash Paul Sachdeva
Independent Director

Dr. Amrik Singh Sohi
Independent Director

Dr. Vijay Asdhir
Independent Director

Mr. Rakesh Kumar Jain
Chief Financial Officer

Ms. Bhoomika
Company Secretary

Registered Office

376, Industrial Area-A,
Ludhiana-141003, Punjab

Bankers

Punjab National Bank
Bank of Maharashtra

Auditors

M/s YAPL & Co.
Chartered Accountants
102, Kismat Complex,
G.T. Road, Miller Ganj,
Ludhiana-141003

32ND ANNUAL GENERAL MEETING

Day: Tuesday
Date : 29th September, 2020
Time : 03:30 pm
Mode : Video Conference (VC) or
Other Audio Visual Means (OAVM)

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**NOTICE**

Notice is hereby given that the Thirty-Second Annual General Meeting of the members of M/s Nahar Poly Films Limited will be held on **Tuesday, the 29th day of September, 2020 at 03:30 P.M.** through Video Conferencing / Other Audio Visual Means to transact the following businesses:

ORDINARY BUSINESS:**ITEM NO 1:- ADOPTION OF FINANCIAL STATEMENTS**

- (i) To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
- (ii) To receive, consider and adopt the Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 and the Report of the Auditors thereon.

ITEM NO 2:- DECLARATION OF DIVIDEND

To declare dividend @ 20% i.e. Rs. 1 per Equity Share of Rs. 5/- each for the year ended 31st March, 2020.

ITEM NO 3:- APPOINTMENT OF MR. KAMAL OSWAL (DIN: 00493213) AS A NON-EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mr. Kamal Oswal (DIN: 00493213), who retires by rotation and being eligible offers himself for re-appointment.

ITEM NO 4:- APPOINTMENT OF MR. DINESH GOGNA (DIN: 00498670) AS A NON-EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mr. Dinesh Gogna (DIN: 00498670), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:**ITEM NO 5:- RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY**

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) the Cost Auditors M/s. Khushwinder Kumar & Associates (Firm Registration No. 000102) appointed by the Board to conduct the audit of the Cost Records of the Company for the Financial year 2020-21, be paid a remuneration of Rs. 45000 (Rupees Forty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to above resolution.”

ITEM NO 6:- APPOINTMENT OF MR. SAMBHAV OSWAL (DIN: 07619112) AS A DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sambhav Oswal (DIN: 07619112), who was appointed as an Additional Director effective from 26th June, 2020 and who holds such office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, things and



take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO. 7:- APPOINTMENT OF MR. SAMBHAV OSWAL (DIN: 07619112) AS AN EXECUTIVE DIRECTOR OF THE COMPANY

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent and approval of the members, be and is hereby accorded for the appointment of Mr. Sambhav Oswal (DIN: 07619112) as an Executive Director of the Company, for a period of 5 (five) years effective from 1st July, 2020 to 30th June, 2025 on the remuneration and perquisites as set out below:

1. Salary (Per Month):

Rs. 10,00,000 - 1,00,000 - 15,00,000.

2. Commission: 2% of the Net Profit.

3. Perquisites: Following perquisites shall be allowed in addition to salary and commission:

i. Housing: Mr. Sambhav Oswal shall be entitled to House Rent Allowance @30% of the salary.

Explanation : The Expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per income Tax rules, 1962. This shall however be subject to a ceiling of 10% of the salary of Mr. Sambhav Oswal.

ii. Medical Reimbursement: Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or two month salary over a period of two years.

iii. Leave Travel Concession: Leave Travel Concession for self and family once in a year incurred by him.

iv. Club Fees: Fees of club subject to a maximum of two clubs including Admission Fees and Life Membership Fees.

v. Personal Accident Insurance: Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs. 20,000/-.

vi. Provident Fund and Super-annuation Fund: Contribution to Provident Fund, Super-annuation Fund or Annuity Fund in accordance with the rules specified by the Company.

vii. Gratuity: Gratuity payable shall not exceed half month's salary for each completed year of service.

viii. Leave Encashment: Encashment of leave at the end of the tenure, as per rules of the Company.

ix. Car and Telephone: Free use of Company's car with Driver for official work and telephone at residence.”

NOTE: For the purpose of perquisites stated herein above, family means the spouse, the dependent children, dependent parents of the appointee.”

“**RESOLVED FURTHER THAT** the Board of Directors on the recommendation of Nomination and Remuneration Committee be and are hereby authorised to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD

**BHOOMIKA
(COMPANY SECRETARY)**

Dated: 12th August, 2020

**Regd. Office:
376, Industrial Area-A, Ludhiana -141003
CIN: L17115PB1988PLC008820
E-mail: secnel@owmnahar.com**

**NOTES:**

1. In view of the situation arising due to COVID-19 global pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/ P/ 2020/79 allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of members at a common venue. Thus, in compliance with the said Circulars, the 32nd Annual General Meeting (AGM) of the Company will be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 25.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020, the Notice calling the AGM alongwith Annual Report for the year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.ownahar.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
6. The Register of Members and Share Transfer Register of the Company shall remain closed from 19th September, 2020 to 21st September, 2020 (both days inclusive) for the purpose of equity dividend for the year ended 31st March, 2020.
7. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members subject to deduction of tax at source, whose names shall appear in Register of Members as on 18th September, 2020 or Register of Beneficial Owners, maintained by the Depositories at the close of 18th September, 2020.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more



- shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Kamal Oswal and Mr. Dinesh Gogna, Non-Executive Directors, retire by rotation at this Meeting and offered themselves for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company commend their respective re-appointments.
 10. The relevant information under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding the Directors who are proposed to be appointed/re-appointed, is given hereto and form part of the Notice.
 11. Pursuant to Section 124(5) of the Companies Act, 2013, unclaimed dividend upto the financial year 2011-12 has been transferred to Investor Education and Protection Fund. Further, there are no unpaid dividends for the year 2012-13 to be transferred to Investor Education and Protection Fund as the company did not declare dividend for the said year.
 12. Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares in respect of which dividend was remained unclaimed or unpaid for a period of seven consecutive years or more to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: http://owmnahar.com/nahar_polyfilm/Transfer-of-Equity-Shares-to-IEPF.php. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
 13. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact the Company for lodging claim for refund of shares and / or dividend from the IEPF Authority.
 14. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April, 2019 except in case of request received for transmission or transposition of securities.
In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent: M/s. Alankit Assignments Limited for assistance in this regard.
 15. The Company provides the facility of paying dividend through Electronics Clearing System (ECS). The members desirous of availing the facility of electronic credit of dividend are requested to ensure that their correct bank details alongwith 9 digit MICR code of their Bank is updated in the records of the Depository Participant (DP). Members, who hold the shares in physical form, should contact the Registrar & Transfer Agent or the Company in this regard. In order to prevent fraudulent encashment of dividend warrants, members are requested to provide their correct bank account details to their DP in case of electronic holding and to the



- Registrar & Transfer Agent or the Company in case of physical holding.
16. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13).
 17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent: M/s. Alankit Assignments Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
 18. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
 19. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) and Bank Details by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are requested to submit their self attested copy of PAN card and bank details alongwith Original cancelled cheque leaf/attested bank passbook showing name of account holder and address, to the Company's Registered Office at 376, Industrial Area-A, Ludhiana – 141003 / Registrar and Share Transfer Agents, M/s. Alankit Assignments Limited, Unit: Nahar Poly Films Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055.
 20. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode during the AGM. All other documents referred to in the Notice will be available for inspection in electronic mode without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. September 29, 2020. Members seeking to inspect such documents can send an email to secnel@owmnahar.com.
 21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
 22. The members who have voted through remote e voting will be eligible to attend the AGM but they will not be eligible to vote at the AGM.
 - 23. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED:**
 1. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secnel@owmnahar.com.



- 2. For Demat shareholders - Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secnel@owmnahar.com.
- 3. The company shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

24. Instructions for shareholders Voting through electronic mode are as under:

- (i) The voting period begins on 26th September, 2020 (9:00 A.M.) and ends on 28th September, 2020 (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, 22nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical form should enter Folio No registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your



- password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) **Click on the EVSN for the relevant <NAHAR POLY FILMS LIMITED> on which you choose to vote.**
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote voting on your mobile. vote.**
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at bathla7@gmail.com and to the Company at secnel@owmnahar.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on cut-off date 22nd September, 2020 may follow the same instructions as mentioned above for e-voting.
- (xxii) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting



manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call or call on 022-23058542/43.

(xxiii) Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the e-voting:

Ms. Bhoomika

Company Secretary & Compliance Officer
376, Industrial Area-A, Ludhiana – 141003
0161-2600701 to 2600705
secnel@owmnahar.com

25. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secnel@owmnahar.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secnel@owmnahar.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

26. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through



VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

- Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. They will not be eligible to vote at the AGM.

OTHER INSTRUCTIONS:

- Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut-off date.
- The Company has appointed Mr. P.S. Bathla, Practising Company Secretary (Membership No. FCS 4391), to act as the Scrutinizer to the e-voting process i.e. votes casted during the AGM and votes casted through remote e-voting, in a fair and transparent manner.
- The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM.
- The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.ownahar.com and on the website of CDSL i.e. www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 32nd Annual General Meeting i.e. 29th September, 2020.
- A person who is not a Member as on the cut-off date i.e. 22nd September, 2020 should treat this Notice for information purposes only.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned under Item No. 5 to 7 of the accompanying Notice.

ITEM NO. 5

As per the provisions of Companies (Cost Records and Audit) Amendment Rules, 2014 notified by MCA vide its notification dated 31st December, 2014, Company's activities fall within the purview of Cost Audit requirement. Accordingly the Board, at its meeting held on 26th June, 2020 on the recommendation of Audit Committee, approved the appointment and remuneration of Rs.45000/- (Rupees Forty Five Thousand Only) of M/s. Khushwinder Kumar & Associates (Firm Registration No.000102) for conducting the Cost Audit of the Cost records of the Company for the financial year 2020-21.

In accordance with the provisions of Section 148(3) of The Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Director has to be ratified by the shareholders of the Company.

Accordingly, the consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out at the Item No. 5 of the Notice for ratification of the remuneration payable to M/s. Khushwinder Kumar & Associates (Firm Registration No.000102) for the financial year ended 2020-21.

None of the Directors of the Company, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the aforesaid resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for your approval.

**ITEM NO. 6**

Pursuant to the provisions of Section 152 and 161 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of director requires approval of members.

The Nomination and Remuneration Committee after verifying the profile and suitability of Mr. Sambhav Oswal, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, knowledge and experience of Mr. Sambhav Oswal in its meeting held on 26th June, 2020 has appointed Mr. Sambhav Oswal as Additional Director of the Company and he will hold the office of the Additional Director upto the date of this Annual General Meeting. The company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Sambhav Oswal for the office of the Director of the Company.

Mr. Sambhav Oswal is 27 years of age. He has done his graduation in Business Administration from University of Southern California, USA. He has an experience of more than 5 years. During his work, he has acquired great experience in the areas of Marketing, Exports, Finance and Corporate Affairs. Mr. Sambhav Oswal has worked in the capacity of Vice President – Corporate Affairs in large Textile Company. During his association with the company, he has acquired good experience in Exports, Marketing and Corporate Affairs. He is also serving as a Director on the Board of various other Companies. Having regard to his educational background and expertise, it will be in the interest of the Company to appoint him as a Director.

The Company has received from Mr. Sambhav Oswal (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not

disqualified under Section 164 of the Companies Act, 2013. In the opinion of the Board, Mr. Sambhav Oswal fulfills the conditions for his appointment as Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Mr. Sambhav Oswal, the appointee, Mr. Jawahar Lal Oswal (Chairman), Mr. Dinesh Oswal (Director) and Mr. Kamal Oswal (Director) being the relatives of Mr. Sambhav Oswal may be deemed to be concerned or interested in the said resolution in regards to his appointment.

None of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution.

Brief resume of Mr. Sambhav Oswal, nature of his expertise and names of companies in which he holds the directorship/ membership/ chairmanship of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Notice.

The Board recommends the Ordinary Resolution set out at Item no. 6 of the Notice for your approval.

ITEM NO. 7

Mr. Sambhav Oswal was appointed as Additional Director of the Company on 26th June, 2020. The Board on the recommendation of Nomination and Remuneration Committee in its meeting held on 26th June, 2020, appointed Mr. Sambhav Oswal as an Executive Director of the Company under Section 196 of the Companies Act, 2013, subject to the shareholder's approval for a period of five years effective from 1st July, 2020 to 30th June, 2025 on the remuneration and perquisites as set out in the resolution at Item No. 7 of the Notice.

Mr. Sambhav Oswal is 27 years of age. He has done his graduation in Business Administration from University of Southern California, USA. He



has an experience of more than 5 years. During his work, he has acquired great experience in the areas of Marketing, Exports, Finance and Corporate Affairs. Mr. Sambhav Oswal has worked in the capacity of Vice President – Corporate Affairs in large Textile Company. During his association with the company, he has acquired good experience in Exports, Marketing and Corporate Affairs. He is also serving as a Director on the Board of various other Companies. Having regard to his educational background and expertise, it will be in the interest of the Company to appoint him as an Executive director of the Company.

Mr. Sambhav Oswal is eligible for appointment as Executive Director and his remuneration and perquisites as set out in the resolution are in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013. The resolution as given in the Notice may also be treated as an abstract of Section 190 of the Companies Act, 2013. The Terms and conditions of appointment as set out in the draft agreement to be entered into between the Company and Mr. Sambhav Oswal, is available for inspection at the Registered Office of the Company.

Except Mr. Sambhav Oswal, the appointee, Mr. Jawahar Lal Oswal (Chairman), Mr. Dinesh Oswal (Director) and Mr. Kamal Oswal (Director) being the relatives of Mr. Sambhav Oswal may be deemed to be concerned or interested in the said resolution in regards to his appointment.

None of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for your approval.

BRIEF PROFILE OF MR. SAMBHAV OSWAL, BEING APPOINTED AS SET OUT IN THE NOTICE

Name	Mr. Sambhav Oswal
Designation	Executive Director
Date of Birth	03.06.1993
Age	27
Nationality	Indian
Date of Appointment	01.07.2020
Qualification	Bachelor's degree in Business Administration from University of Southern California, USA
Experience	5 years of experience in Exports, Marketing and Corporate Affairs.
Terms of Appointment	Five Years
Remuneration for the Financial Year 2019-20	Not Applicable
Disclosure of relationship	Mr. Sambhav Oswal is the son of Mr. Dinesh Oswal. He is Grandson of Mr. Jawahar Lal Oswal and Nephew of Mr. Kamal Oswal.
Shareholding	1000 Equity Shares of Rs. 5/- each.
No. of Board Meetings attended during the year	Not Applicable
Other Directorships	1.Vanaik Investors Ltd. 2.Atam Vallabh Financiers Ltd. 3.Nahar Growth Fund Private Limited 4.Nagdevi Trading and Investment Company Limited 5.Closettrunk Private Limited 6.Sankheshwar Holding Company Limited
Other Committee Membership/ Chairmanship	Nil


ADDITIONAL INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING DIRECTOR SEEKING RE-APPOINTMENT.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Directors who are proposed to be re-appointed are given below:

Name	Mr. Kamal Oswal		Mr. Dinesh Gogna			
Age	57		67			
Qualification	B.Com		B.A.LLB			
Experience	Having more than 38 years of experience in Textile, Woollen and Packaging industry.		Having more than 43 years of experience in Corporate Finance and Taxation			
Shareholding	31500 Equity Shares of Rs. 5/- each		2127 Equity Shares of Rs. 5/- each			
Other Directorships in Listed Companies	Name of the Company		Status	Name of the Company		Status
	1. Nahar Spinning Mills Ltd		Director	1. Nahar Spinning Mills Ltd		Director
	2. Nahar Capital And Financial Services Limited		Director	2. Nahar Capital And Financial Services Limited		Director
	3. Nahar Industrial Enterprises Limited		Director	3. Nahar Industrial Enterprises Limited		Director
	4. Oswal Leasing Limited		Director	4. Monte Carlo Fashions Limited		Director
				5. Oswal Leasing Limited		Director
Other Listed Companies Committee's Membership / Chairmanship	Name of the Company	Name of the Committee	Status	Name of the Company	Name of the Committee	Status
				1.Nahar Spinning Mills Limited	Audit	Member
				2.Nahar Industrial Enterprises Limited	Audit Stakeholder's Relationship	Member Chairman
				3.Monte Carlo Fashions Limited	Audit Stakeholder's Relationship	Member Chairman
Disclosure of relationship between Directors inter-se	Mr. Kamal Oswal is the son of Mr. Jawahar Lal Oswal, brother of Mr. Dinesh Oswal and uncle of Mr. Sambhav Oswal.		NIL			

BY ORDER OF THE BOARD

**BHOOMIKA
(COMPANY SECRETARY)**

Dated: 12th August, 2020

**REGD.OFFICE
376, Industrial Area-A,
Ludhiana -141003(India)
CIN: L17115PB1988PLC008820
E-mail: secnel@owmnaahar.com**



DIRECTOR'S REPORT

Dear Members,

The directors are pleased to present the company's **Thirty-Second** Annual Report on the affairs of the Company along with the audited financial statements for the financial year ended 31st March, 2020.

FINANCIAL PERFORMANCE (STANDALONE AND CONSOLIDATED)

Your Company's Financial Performance during the year is summarized below:

(Rs. In Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Total Income	28210.45	26810.31	28111.28	26711.14
Less: Total Expenses	23756.83	25518.04	23756.83	25518.04
Profit Before Tax	4453.62	1292.27	4354.45	1193.10
Less: Current Tax	1001.44	240.55	1001.44	240.55
Deferred Tax	162.52	141.00	162.52	141.00
Net Profit from continuing operations	3289.66	910.72	3727.58*	1222.78*
Add: Other comprehensive Income/(Loss)	(5041.23)	(465.85)	(10251.43)	(1008.35)
Profit/(Loss) for the period	(1751.57)	444.87	(6523.85)	214.43

*Consolidated profit for the year includes Share of profit from Associates under equity method for the amount of Rs. 537.09 Lakhs in Current Year and Rs. 411.23 Lakhs in the Previous Year.

IMPACT OF COVID-19 ON BUSINESS

The outbreak of Corona virus disease (COVID-19), a Global Pandemic has significantly impacted the Social and Economic activity. The Indian Government declared a complete lockdown from 23rd March, 2020 to 31st May, 2020 to combat the spread and transmission of virus and in compliance with the lockdown instructions issued by the Centre and State governments, the company temporarily suspended operations. However, being goods of essential sector and is being allowed, the company resumed its operations in the lockdown. The company has considered the possible effects that may result from the COVID-19 pandemic on the company's operations, capital and financial resources, profitability, liquidity, ability to service debt and other financial arrangements, assets,

internal financial reporting and controls, supply chain and demand for its products etc. The COVID-19 has not significantly impacted the normal business operations. The carrying amount of 'Assets' will be recovered and sufficient liquidity would be available. Further, The Company will continue to monitor current and future conditions and impact thereof on Company's operation.

INDIAN ACCOUNTING STANDARD

The Company has adopted Indian Accounting Standards (Ind AS) from 1st April, 2017 (transition date being 1st April, 2016). Accordingly, the financial statements have been prepared as per the Indian Accounting Standard Rules, 2015, as prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and the other accounting principles generally accepted in India.

For the financial year 2019-20, the financials of the company have been prepared as per Indian Accounting Standards (Ind AS).

OPERATIONAL REVIEW AND STATE OF AFFAIRS

The disclosure requirements as per Indian Accounting Standard (IndAS 108) issued by the Institute of Chartered Accountants of India, New Delhi are not applicable to the Company as the main business activities of Company falls under single segment i.e. BOPP Films.

We wish to inform that the Company is having an ultra modern BOPP Film Plant with a capacity of 30000 TPA, in the state of Madhya Pradesh and is selling its products in domestic as well as export markets. The Company has established its brand in the market. We are pleased to inform that the company has decided to go for expansion of its BOPP Plant. The order for machineries has been placed and construction work of the plant is in full string. The machinery will start arriving from February, 2021 onwards. It is expected that with this addition company will be able to produce more quality products at low cost of production.

Further, pursuant to the requirement of section 129(3) of the Companies Act, 2013, the Company has also Consolidated the Financial Statements for the year ended 31st March, 2020 in respect of its Associate Company i.e. M/s Nahar Capital and



Financial Services Limited. We would like to appraise you regarding the financial performance of the company on Standalone as well as Consolidated basis as under:

STANDALONE-FINANCIAL PERFORMANCE

We are pleased to inform you that during the year under review on standalone basis, the Company has achieved a Total Income of Rs. 28210.45 Lakhs as against Rs. 26810.31 Lakhs showing a marginal increase of 5.22% over the previous year. The company earned a Profit before tax of Rs. 4453.62 Lakhs as against Rs. 1292.27 Lakhs in the previous year, which is 244.64% more than the previous year. After providing provision for taxation (including deferred tax) of Rs. 1163.96 Lakhs, it earned Net Profit of Rs. 3289.66 Lakhs in the current year as against Rs. 910.72 Lakhs in the previous year showing an impressive increase of 261.22% over the period of one year. The company showed a good financial performance for the year ended 31st March, 2020.

CONSOLIDATED- FINANCIAL PERFORMANCE

We are pleased to inform you that during the year under review on consolidated basis, the Company earned Total Income of Rs. 28111.28 Lakhs during the year under review as against Rs. 26711.14 Lakhs in the previous year. It earned a profit before tax of Rs. 4354.45 Lakhs as against Rs. 1193.10 Lakhs in the previous year. After providing provision for taxation (including deferred tax) of Rs. 1163.96 Lakhs, it earned Net Profit (including Share of Profit from Associates) of Rs. 3727.58 Lakhs as against Rs. 1222.78 Lakhs in the previous year.

TRANSFER TO RESERVE

The Company has not transferred any amount to the General Reserve and thus Company's General Reserve stands on Rs.10160.18 Lakhs on 31st March, 2020. However, after making adjustment of total comprehensive income of current year, Dividend and Dividend Distribution Tax for the year of an amount of Rs. 1899.78 Lakhs the balance in Retained Earnings/Surplus Account is Rs 1742.68 Lakhs as on 31st March, 2020.

DIVIDEND

The Board in its meeting held on 26th June, 2020 has recommended the dividend @ 20% (i.e. Rs. 1/- per

Equity Share of 5/- each) on the paid up equity share capital of the company for the financial year ended 31st March, 2020. The proposal is subject to the approval of the Shareholders at the forthcoming Annual General Meeting to be held on 29th September, 2020. The total dividend declared (excluding dividend distribution tax) for the year ended 31st March, 2020 is Rs. 245.88 Lakhs.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of profits of the Company to all those shareholders whose names shall appear in the Register of Members on 18th September 2020 or Register of Beneficial Owners, maintained by the Depositories as at the close of 18th September 2020.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all dividends which remain unpaid / unclaimed for the period of seven consecutive years are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF), Government of India. Accordingly, the Company has transferred an amount of Rs. 5,50,464 (Five Lakhs Fifty Thousand Four Hundred Sixty Four), being the amount of unclaimed dividend for the year 2011-12 to the Investor Education and Protection Fund.

Further, there are no unpaid/unclaimed dividends for the year 2012-13 as the company had not declared dividend for the year 2012-13. Therefore, pursuant to section 124(5) of the Companies Act, 2013, no unpaid/ unclaimed amount of dividend is required to be transferred this year to Investor Education and Protection Fund.

Further, as per the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares on which dividend has been unpaid / unclaimed by the Shareholders for seven consecutive years or more are required to be transferred to the Demat account of the IEPF Authority. Accordingly, in compliance of the provisions of the Act, 1,33,225 (One Lakh Thirty



Three Thousand Two Hundred Twenty Five) equity shares of Rs 5/- each, were transferred to the DP/Client ID IN300708/10656671 opened in the name of the Investor Education and Protection Fund Authority. The details of the Shareholders whose shares have been transferred to the Demat account of IEPF Authority are also available on Company's website http://owmnaahar.com/naahar_polyfilm/Transfer-of-Equity-Shares-to-IEPF.php and the same can be accessed through the link: www.iepf.gov.in.

The Shareholders whose dividend / shares have been transferred to IEPF can reclaim their subjected dividend / shares by making an application to the IEPF Authority in web form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The Shareholders can also view the procedure at www.iepf.gov.in.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted their declaration to the Board under Section 149(7) of the Companies Act, 2013 that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

APPOINTMENT OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to provisions of section 152(6) of the Companies Act, 2013 and Article 117 of Article of Association of the Company, Mr. Kamal Oswal (DIN: 00493213) and Mr. Dinesh Gogna (DIN: 00498670), will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. The Board recommends their re-appointment to the members of the Company at the ensuing Annual General Meeting.

Mr. Komal Jain (DIN: 00399948) resigned from the Directorship of the Board of the company effective from 26th June, 2020. Mr. Sambhav Oswal (DIN: 07619112) has been appointed as Additional Director of the Company effective from 26th June, 2020 and shall hold the office upto the date of ensuing Annual General Meeting of the company. On the recommendation of Nomination and remuneration committee and approval of the Board and considering the expertise and knowledge of

Mr. Sambhav Oswal (DIN: 07619112), he has been appointed as Executive Director of the Company effective from 1st July, 2020 for a period of five years subject to the approval of shareholder's in the ensuing Annual General Meeting of the Company. The resolution for the same has been proposed for your approval in the accompanying Notice of the Annual General Meeting.

Mrs. Nidhi Khande, resigned as a Company Secretary & Compliance Officer of the Company and her resignation was accepted by the Board of Directors in their meeting held on 30th May, 2019. Further, Ms. Bhoomika having membership no. A58724 of The Institute of Company Secretaries of India was appointed as Company Secretary & Compliance Officer of the Company effective from 30th May, 2019.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Satish Kumar Sharma (Executive Director), Mr. Rakesh Kumar Jain (Chief Financial Officer) and Ms. Bhoomika (Company Secretary) are Key Managerial Personnel (hereinafter referred as KMP) of the Company for the Financial Year 2019-20.

BOARD EVALUATION

The provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandate that a Formal Annual Performance Evaluation is to be made by Board of its own performance and that of its Committee and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated.

The Board carried out a formal Annual performance evaluation of its own performance and that of its committees and individual Directors as per the criteria laid down by the Nomination and Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to evaluate the performance of individual directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior,



leadership qualities, level of engagement and contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The outcome of the Board Evaluation for the Financial Year 2019-20 was discussed by the Nomination and Remuneration Committee at the meeting held on 25th June, 2020 and the Board at their meetings held on 26th June, 2020.

The Board was satisfied with the evaluation process and the approved the evaluation results thereof.

CORPORATE POLICIES

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the said regulations, the listed companies are required to formulate certain policies. As good corporate the company has already formulated several corporate governance policies and the same are available on the Company's website i.e. www.ownahar.com. The said policies are reviewed periodically by the board to make them in compliance with the new Regulations/ requirements.

The Company has adopted certain policies, the details of which are given hereunder:

Name of the Policy	Brief Description
Appointment & Remuneration Policy	Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015, the Board of Directors in their meeting held on 3rd February, 2015 approved the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The Policy formulates

	the principle and criteria for determining qualification, competences, positive attributes, integrity and independence etc. for Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy also laid down the criteria for determining the remuneration of directors, key managerial personnel and other employees.
Corporate Social Responsibility Policy	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee formulated the CSR Policy which was adopted by the Board. The CSR policy outlines the various programmes/ projects/ activities to be undertaken by the Company as laid down in Schedule VII of the Companies Act, 2013.
Vigil Mechanism / Whistle Blower Policy	Pursuant to the provisions of Section 177 of the Companies Act, 2013, the company has formulated and adopted Vigil Mechanism/ whistle Blower policy for its directors and employees. The aim of the policy is to provide a channel to the directors and employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct.
Policy for determining the Material Related Party Transactions and dealing with the related party transactions	Pursuant to the requirements of regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved a policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions. The policy regulates the transactions between the company and its group companies and related



	<p>parties. The Policy has been uploaded on the Company's website and can be accessed at http://owmnahar.com/nahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf</p>	Archival Policy	<p>Pursuant to the requirements of Regulations 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Archival Policy in its Meeting on 10th February 2016. The Policy ensures protection, maintenance and archival of Company's disclosures, documents and records that are placed on Company's website i.e. www.owmnahar.com.</p>
Insider Trading Policy	<p>To provide the framework for dealing in the Securities of the company by the Insiders, the Board has approved and adopted the following Codes in its Meeting held on 30th May, 2016 under SEBI (Prohibition of Insider Trading) Regulations, 2015:</p> <ul style="list-style-type: none"> i. Code of practices and procedures for fair disclosure of unpublished price sensitive information. ii. Code of conduct to regulate, monitor and report trading by insiders. <p>The Code helps to regulate trading in securities by the Directors and designated employees of the Company. The Code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.</p>	Board Diversity Policy	<p>The Board of Directors in their Meeting held on 3rd February, 2015 has approved and adopted the Board Diversity Policy as per the recommendations of the Nomination and Remuneration Committee. The policy envisages of diversification of Company's Board in respect of age, knowledge, experience and expertise.</p>
Policy for Preservation of Documents	<p>Board of directors in their meeting held on 10th February, 2016 has approved and adopted the policy for Preservation of documents. The Policy segregates the documents to be preserved permanently and documents to be preserved at least for a period of eight years as per the requirements of applicable laws.</p>	Code of Fair Disclosures	<p>Pursuant to Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors in their held on 11th February, 2019 has approved and adopted the amended Code of Practices and Procedure for Fair Disclosures of Unpublished Price Sensitive Information including the Policy for Legitimate purposes.</p>
		Code of Conduct to regulate, monitor and report trading by Designated Persons and its immediate relatives	<p>Pursuant to Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors in their held on 11th February, 2019 has approved and adopted the Code of Conduct to regulate, monitor and report trading by Designated Persons and its immediate relatives of designated persons.</p>

**APPOINTMENT AND REMUNERATION POLICY**

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for Appointment and Remuneration of Directors, Senior Management and other employees as provided under section 178(3) of the Companies Act, 2013. The Objective of the Policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to meet independence of Directors. During the year 2019-20, the company's Board consists of twelve directors. Mr. Jawahar Lal Oswal is Non-Executive Chairman. Mr. Satish Kumar Sharma is an Executive Director. There are five Non-Executive Directors and six Independent Directors out of which Dr. Manisha Gupta is an Independent Woman Director on the Board. Since June, 2020, after the resignation of Mr. Komal Jain from the Directorship of the Company and appointment of Mr. Sambhav Oswal as an Executive Director of the Company, the composition of the Board consists of two Executive Directors, four Non-Executive Directors and six Independent Directors including one Independent Women Director.

The Company's Policy of Appointment and Remuneration includes criteria for determining Qualification, Positive Attributes, Independence of Directors and Other matters, as required under sub section 3 of Section 178 of the Companies Act, 2013. The Policy also laid down the criteria for determining the remuneration of directors, key managerial personnel and other employees. The Appointment and Remuneration policy of the Company is available on the Company's website and can be accessed at http://www.owmnahar.com/nahar_polyfilm/pdf/NPFLAPPOINTMENTANDREMUNERATIONPOLICY.pdf. There has been no change in the Policy since the last financial year. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors held their

meeting on 12th December, 2019, without the attendance of Non Independent Directors and members of the management. All Independent Directors were present at the meeting and at the meeting, they:

- i. Reviewed the performance of non-Independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non Executive Directors;
- iii. Assessed the quality and timeliness of the flow of information between the Company's management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAMS FOR BOARD MEMBERS

The company at the time of appointing a Director, issues a formal letter of appointment which inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All Independent Directors are provided with all policies/Guidelines as framed by the Company under various statutes and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to familiarize with Company's procedure and practices. Further, to update them on the regular basis, the Company provides copies of all amendments in Corporate Laws, Corporate Governance Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They were also informed regarding the recent amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI various regulations and recent amendments in the Companies Act, 2013. The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be assessed at http://owmnahar.com/nahar_polyfilm/pdf/Familiarization_Program.pdf

Besides, one interactive session was conducted during the year by Mr. P. S. Bathla, Practicing Company Secretary ('the Secretarial Auditor of the



company') on the topic of recent amendments in the Companies Act, 2013 and registration of independent directors in database of independent directors of IICA.

NUMBER OF BOARD MEETINGS

During the year under review, the Board of Directors met six times on 30th May, 2019, 13th August, 2019, 11th October, 2019, 11th November, 2019, 16th December, 2019 and 12th February, 2020 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was as per the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Your Company is engaged in the Manufacturing of Bi-Axially Oriented Polypropylene Films (BOPP) for which, sometimes the Company purchases DEPP Licenses from group company(s) which are in the ordinary course of business at Arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict of interest with the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014. However, the transactions entered into with the Group Companies during the year under review, has been given as Notes to the financial statements in accordance with the Accounting Standards

The Company has not entered into any contract or arrangement with the related parties as referred in Section 188(1) of the Companies Act, 2013. Thus, the requirement for disclosure of particulars of contracts or arrangement with related parties referred to in Section 188(1) is not applicable. However, as per Company's policy, all the Group

Companies transactions regarding sales/purchase etc. are placed before the Audit Committee as well as the Board, for their information and approval.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

SHARE CAPITAL

The Paid up equity share capital of the Company as on 31st March, 2020 is Rs. 1229.40 Lakhs. During the year under review, the Company has neither issued shares with differential voting rights as to dividend, voting or otherwise nor granted stock options or sweat equity under any scheme.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

As reported in the last report, the company adopted CSR Policy and decided to undertake CSR activity in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The detail of the CSR policy is available on the company's website i.e. www.owmnahar.com.



The disclosure in respect of the existing CSR activities pursuant to section 134(3) of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014, is annexed hereto as "**Annexure I**" and forms part of this Report.

AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013, the Board of Directors have already constituted Audit committee, consisting of Dr. Suresh Kumar Singla as Chairman, Dr. Yash Paul Sachdeva and Mr. Dinesh Gogna, as members. Dr. Yash Paul Sachdeva became the member of the committee effective from 11th October, 2019 in place of Dr. Vijay Asdhir. Ms. Bhoomika is the Secretary of the committee. The committee held four meetings during the year under review.

VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, the Company established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employee, directors, customers, vendors etc., can report the genuine concerns or grievances to the members of the Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to safeguard the interest of the Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website. The Company has a dedicated e-mail address i.e. whistleblownpfl@owmnahtar.com for reporting the genuine concerns.

The Audit Committee regularly reviews the working of the Mechanism. No complaint was received during the year under review.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATES COMPANY

The Company does not have any Subsidiary or joint venture company. The Company has only one associate company i.e. M/s Nahar Capital and Financial Services Limited. No Company has become or ceased to be the Associate Company of the Company during the year under the review.

CONSOLIDATED FINANCIAL STATEMENTS

The Company has One Associate Company viz. M/s Nahar Capital and Financial Services Limited as defined under the Companies Act, 2013. Pursuant to the requirements of Section 129(3) of the Companies Act, 2013, the Company has consolidated the financial statements in respect of above said Associate Company for the financial year ended 31st March, 2020.

Further, a report on the performance and financial position of the Associate Company as per the Companies Act, 2013 in the Form AOC-1 is annexed to the Financial Statements for the year ended 31st March, 2020 as an Annexure.

CREDIT RATING

We are pleased to inform that the Credit Analysis and Research (CARE) vide their letter dated 22nd October, 2019 has re-affirmed the credit rating "CARE A-" for long term bank facilities and "CARE A2+" for the short term bank facilities of the Company. The rating "CARE A-" indicates stable and rating "CARE A2+" indicates strong degree of safety regarding timely payment of the financial obligations.

GREEN INITIATIVE

The Ministry of Corporate Affairs(MCA) vide Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Your Company has decided to join the MCA in its environmental friendly initiative.

Accordingly, henceforth Company propose to send documents such as Notice of the General Meetings, Annual Report and other communication to its



shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c. or send the same to the Company via e-mail at: secnel@owmnahar.com or gredressalnpl@owmnahar.com. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the Environment.

LISTING OF SECURITIES

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

1. The BSE Ltd.

25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001

2. The National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051

The company has paid listing fee to both the Stock Exchanges for the financial year 2020-21.

DEMATERIALIZATION OF SECURITIES

Your company has already established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on 31st March, 2020, 96.24% of the total Equity Share Capital has been de-materialized. The shareholder(s) who has not dematerialized their shares till date, are requested to opt for dematerialization of the shares at the earliest.

Further as per SEBI circular No. D & CC/FITTC/CIR-15/2002 DATED 27th December, 2002, your Company has appointed M/s Alankit Assignments Ltd. as Registrar for Share Transfer and Electronic connectivity. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer, demat/remat, change of address etc. to our registrar at below mentioned address:

M/s Alankit Assignments Ltd.

(Unit: Nahar Poly Films Limited)
"Alankit House", 4E/2,
Jhandewalan Extension
New Delhi-110055
Telephone No: 011-23541234
Fax No. : 011-23552001
E-mail ID : rta@alankit.com

SEBI vide its Gazetted notification dated June 08, 2018 amended the Regulation 40 (1) (b) of SEBI (LODR) Regulations, 2015 whereby it has been provided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with the Depository.

In view of the above, members are hereby informed that with effect from 5th December, 2018 requests for transfer of securities in physical form are not getting processed. Hence, all members who are holding equity shares in physical form are requested to go in for dematerialization of securities at the earliest.

In case any query/complaint remains unresolved with our Registrar please write to Company Secretary at Email ID: secnel@owmnahar.com or at the Registered Office of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors would like to assure the Members that the financial statements for the year under review, confirm in their entirety to the requirements of the Companies Act, 2013.

THE DIRECTORS CONFIRM:

- i) that in preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, if any;
- ii) that they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period;



- iii) that they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting any fraud and other irregularities;
- iv) that the Annual Accounts have been prepared on a going concern basis;
- v) that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- vi) that the directors had devised proper systems to ensure compliances with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS & AUDITOR'S INDEPENDENT REPORT

STATUTORY AUDITORS

We wish to inform you that M/s YAPL & Co, Chartered Accountants, Firm Registration No (017800N), were appointed as Statutory Auditor of the Company by the Members, for a term of five years starting from the conclusion of the 29th Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2022. As per the proviso of section 139(1) of the Companies Act, 2013, the matter relating to appointment of the Auditors was to be ratified by the Members at the every Annual General Meeting of the Company. The Ministry of Corporate Affairs vide its notification dated 07 May, 2018, has omitted the first proviso of section 139 of the principal Act in sub section (1). Accordingly the Board has not proposed any resolution for the ratification of Appointment of Auditors by the shareholders.

AUDIT REPORT

The Statutory Auditors have submitted the Audit Report on the Standalone as well as Consolidated Accounts of the Company for the Accounting year ended on 31st March, 2020. The observations and comments given by Auditors in their Report read together with the Notes to the Financial Statements

are self explanatory and require no comments.

COST AUDITORS

We would like to inform you that the Ministry of Corporate Affairs vide its Notification dated 31st December, 2014 amended Companies (Cost Records and Audit) Rules, 2014, pursuant to which, the Company's business activities has been included within the purview of Cost Audit requirement. Accordingly, the Board of Directors on the recommendation of Audit Committee appointed M/s Khushwinder Kumar & Associates, Cost Accountant, as Cost Auditors of the Company for financial year 2020-21 and has fixed a remuneration of Rs. 45000/- subject to the ratification of the members as per the provision of Section 148(3) of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014, a resolution for the ratification of the remuneration of the Cost Auditor by the shareholders at the ensuing Annual General Meeting is being proposed for your approval.

SECRETARIAL AUDITOR

Pursuant to the provision of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your company has appointed M/s. P.S. Bathla & Associates, Practicing Company Secretary, having Certificate of Practice No. 2585 to conduct Secretarial Audit of the Company for the financial year 2020-21.

M/s. P.S. Bathla & Associates, Practicing Company Secretary have carried out the secretarial Audit for the financial year ended 31st March, 2020 and submitted their Secretarial Audit Report in the format of MR-3 as annexed herewith this report as '**Annexure II**' and forms part of this report.

The Report is self explanatory and requires no comments.

BUSINESS RISK MANAGEMENT

The Company has laid down Risk Management Policy. The Policy aims to identify, evaluate manage and monitor all types of risks which are associated with the business of the Company. The Board as well



as Audit Committee regularly oversees the risk management process in the Company, as required under 134(3)(n) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company is engaged in the manufacture of BOPP Films and has identified certain risks which may affect the performance of the Company. These include operational risks such as fluctuation in the prices of the raw materials which include petrol, fluctuation in foreign exchange rates, Labour problems, regulatory risks, Government Policy etc. We are of the opinion that none of identified risk is such that which may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROL AND SYSTEMS

The Company is maintaining an efficient and effective system of Internal Financial Control for the facilitation of speedy and accurate compilation of financial statements. The Company's Internal Financial Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliances with procedures, laws and regulations. The Company's Internal Control System commensurate with the nature of its business and size of its operations.

The Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal Financial Control system commensurate with the nature of its business and the size of its operations. In order to further strengthen the Internal control system and to automate the various processes of the business, the company is making use of Enterprise Resource Planning (ERP).

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has appointed M/s Piyush Singla & Associates, a firm of Chartered Accountants as Internal Auditor of the

Company for the financial year 2020-21. The Company is also having an Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the management and to suggest improvement in the systems.

Apart from the above, an Audit Committee consisting of three non-executive directors has been constituted. All the significant audit observation and follow up action thereon are taken care of by the Audit Committee. The Committee oversees the adequacy of Internal Control. The Audit Committee met four times during the financial year 2019-20. The Company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

PUBLIC DEPOSITS

During the year under review, the company has not accepted any Public Deposits within the meaning of section 73 of the Companies Act, 2013 and the rules framed there under. There is no outstanding/unclaimed deposit from the Public. However, the information as required under Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:-

- I. Deposits accepted during the year: Nil
- II. Deposits remained unpaid or unclaimed as at the end of the year: Nil
- III. Default in repayment of deposits and deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013: NotApplicable

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

The Company has zero tolerance for sexual harassment for women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2019-20, the Company has



not received any complaints on sexual harassment and hence, no complaint remains pending as on 31st March, 2020.

ANNUAL RETURN

The Extract of Annual Return of the Company, pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2019-20 in the Form MGT-9 has been uploaded on Company's website at http://www.ownahar.com/nahar_polyfilm/pdf/MGT-9.pdf

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as **"Annexure III"** and form part of this report.

In terms of section 197(14) of the Companies Act, 2013, the Company does not have any Holding Company. However, the details regarding remuneration received by Executive Director is also given in **"Annexure III"** and form part of this report.

During the year under review, No employee of the Company was in receipt of remuneration exceeding the limits as provided under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The detailed information as required under section 134(3) of the companies Act, 2013 read with Sub rule 3 of the Rule 8 Companies (Accounts) Rules, 2014, is enclosed as per **'Annexure IV'** and forms part of this report.

REPORT ON THE CORPORATE GOVERNANCE

Your Company continues to follow the principles of good Corporate Governance. The company has already constituted several committees of directors to assist the Board in good Corporate Governance.

The Corporate Governance Report along with the Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Part C of Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached herewith as **'Annexure V'** and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under the Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed as per **'Annexure VI'** and forms the part of this Report.

INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year and the excellent results were achieved with the whole hearted co-operation of employees at all levels.

ACKNOWLEDGEMENT

The Directors wish to place on record their gratitude and appreciation to all workers, staff members and executives for their contribution to the operations of the company. The directors also thank the Bankers, Financial Institutions for their continued support. The Directors appreciate and value the contribution made by every member in the Company.

FOR AND ON BEHALF OF THE BOARD

JAWAHAR LAL OSWAL

PLACE : LUDHIANA

(CHAIRMAN)

DATED: 12TH AUGUST, 2020

DIN: 00463866

**Annexure-I****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

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

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee formulated the Corporate Social Responsibility Policy (CSR Policy) and recommended the same to the Board of Directors of the Company for their approval. The Board of Directors on 11th August, 2014 adopted the CSR Policy as recommended by CSR Committee whereby the Company will undertake CSR activities in collaboration with Group Companies under one umbrella i.e. through M/s. Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The details of Company's CSR policy are available on the website's link: http://owmnahar.com/nahar_polyfilm/pdf/scan0003.pdf

2. **Composition of the CSR Committee:** Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board constituted the Corporate Social Responsibility (CSR) Committee comprising of three Directors namely:

Name of Director	Status
Mr. Dinesh Oswal, Director	Chairman
Mr. S. K. Singla, Independent Director	Member
Mr. Dinesh Gogna, Director	Member

3. **Average net profit of the Company for last three financial years** : Rs. 924.16 Lakhs
4. **Prescribed CSR Expenditure** : Rs. 18.48 Lakhs
(Two percent of the amount as in item 3 above)
5. **Details of CSR spend for the financial year:**
- a) **Total amount spent for the financial year** : Rs. 18.48 Lakhs
- b) **Amount unspent, if any** : Nil
- c) **Manner in which the amount spent during the financial year**

The Company for its Corporate Social Responsibility obligation (herein after referred to as "CSR") tied up with M/s. Oswal Foundation for undertaking its CSR obligations.

During the year under review, the company has contributed an amount of Rs. 18.48 Lakhs to M/s. Oswal Foundation for undertaking CSR projects as approved by the company's CSR committee in respect of CSR obligations for the year 2019-20. The contributed amount spent by M/s. Oswal Foundation on CSR activities are as prescribed under Schedule VII of the Companies Act, 2013.



We would also like to update the information regarding the ongoing CSR project, being undertaken by M/s. Oswal Foundation on behalf of the Company/Group Companies. The information is as under:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where project or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent to the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
1.	Health Care Project: At Mohan Dai Oswal Cancer Treatment & Research Foundation, Ludhiana	Promoting Health Care including Preventive Health Care	(1) Local Area (2) State-Punjab, Ludhiana	--	Rs. 777 Lakhs	Rs. 1220.22 Lakhs	Through Oswal Foundation, a Charitable Trust
2.	A. Maintenance of Fountain Chowk, Ludhiana B. Maintenance of Public Park on National Highway, G.T. Road, Ludhiana	Ensuring Environmental Sustainability	(1) Local Area (2) State-Punjab, Ludhiana	--	Rs. 6.47 Lakhs	Rs. 71.12 Lakhs	Through Oswal Foundation, a Charitable Trust
3.	A. Government Primary School at: 1. Village Bhatian, Distt. Ludhiana 2. Gaispura Ludhiana 3. Village Thakkarwal, Ludhiana 4. Govt. Blind School, Jamalpur, Ludhiana B. Punjab Agriculture University (PAU) Ludhiana C. Government College, Ludhiana	Promotion of Education	(1) Local Area (2) State-Punjab, Ludhiana	--	Rs. 30.42 Lakhs	Rs. 215.16 Lakhs	Through Oswal Foundation, a Charitable Trust
4.	Others: 1.Sports 2. Other activities	Social Business Projects	(1) Local Area (2) State-Punjab, Ludhiana	-- --	Rs. 0.60 Lakhs Rs. 1.13 Lakhs	Rs.12.02 Lakhs Rs. 2.67 Lakhs	Through Oswal Foundation, a Charitable Trust

6. Reasons for not spending the two percent of the average net profits of the last three financial years:

Not Applicable

7. A responsibility statement of the CSR Committee: The members of the CSR Committee hereby states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-

DINESH OSWAL

DIRECTOR / CHAIRMAN (CSR COMMITTEE)

PLACE : LUDHIANA

DATED: 12TH AUGUST, 2020

DIN: 00607290

**Annexure-II****Form No. MR-3
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDING 31st MARCH, 2020**

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

To
The Members,
Nahar Poly Films Ltd.
376, Industrial Area A,
Ludhiana Punjab-141003

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Nahar Poly Films Ltd** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the **financial year 1st April, 2019 to 31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Nahar Poly Films Ltd** ("The Company") for the financial year ended on **31st March, 2020** according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(Not Applicable as the Company has not issued any shares during the year under review)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(Not Applicable as the Company has not issued any shares/options to directors/ employees under the said guidelines/regulations during the year under review)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(Not Applicable as the Company has not issued Debt Securities during the Audit Period under review)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial Year under review)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(Not applicable to the Company during the Audit period as there was no event in this regard)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
(Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review)
 - VI. The Company has informed that there are no Sector Specific laws which are applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.



I Report that during the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

2. I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of Board of Directors and Committee of the Board, as case may be.

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For P S Bathla & Associates

Place: Ludhiana
Date : 12th August, 2020

Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
SCO-6, Feroze Gandhi Market, Ludhiana

Note: This Report is to be read with my Letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To
The Members,
Nahar Poly Films Ltd.
376, Industrial Area A,
Ludhiana Punjab-141003

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

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

For P S Bathla & Associates

Place: Ludhiana
Date : 12th August, 2020

Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
SCO-6, Feroze Gandhi Market, Ludhiana



Annexure-III

A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2019-20	% increase / decrease in Remuneration in the financial Year 2019-20	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Jawahar Lal Oswal Non-Executive Director	60000	+50.00	0.24	--
2	Mr. Dinesh Oswal Non-Executive Director	60000	+50.00	0.24	--
3	Mr. Kamal Oswal Non-Executive Director	60000	+50.00	0.24	--
4	Mr. Dinesh Gogna Non-Executive Director	50000	+25.00	0.20	--
5	* Mr. Satish Kumar Sharma Executive Director	2632168	6.96	10.68	PBT increased by 244.64% & PAT increased by 261.22% in F.Y 2019-20
6	Mr. Komal Jain Non-Executive Director	60000	+50.00	0.24	--
7	Dr. Suresh Kumar Singla Independent Director	60000	+200.00	0.24	--
8	Dr. Yash Paul Sachdeva Independent Director	40000	0	0.16	--
9	Dr. Amrik Singh Sohi Independent Director	40000	+33.33	0.16	--
10	Dr. Manisha Gupta Independent Director	60000	+50.00	0.24	--
11	Dr. Inder Mohan Chhibba Independent Director	60000	+50.00	0.24	--
12	Dr. Vijay Asdhir Independent Director	30000	-25.00	0.12	--
13	Mr. Rakesh Kumar Jain Chief Financial Officer	1273333	28.95	--	PBT increased by 244.64% & PAT increased by 261.22% in F.Y 2019-20
14	**Mrs. Nidhi Khande Company Secretary	83803	35.09	--	
	**Ms. Bhoomika	226413	-		

*Except Mr. S.K. Sharma, Executive Director of the Company, all other directors are paid only sitting fees for attending the Board Meeting.

**Mrs. Nidhi Khande resigned as Company Secretary effective from 30th May, 2019. However, Ms. Bhoomika appointed as Company Secretary effective from 30th May, 2019.

ii) The median remuneration of employees of the company during the financial year 2019-20 was Rs. 2.46 Lakhs.

- iii) In the financial year, there was an increase of 4.24% in the median remuneration of employees.
- iv) There were 184 permanent employees on the rolls of company as on 31st March, 2020.
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2019-20 was 4.96% whereas average percentage increase in the managerial remuneration in the last financial year 2019-20 was 0.49%.
- vi) It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for Directors, Key Managerial Personnel and other Employees.

B. DETAILS OF TOP TEN EMPLOYEES OF THE COMPANY IN TERMS OF SALARY DRAWN AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

S. No.	Name & Designation	Remuneration Received (in Lakhs)	Nature of employment (contractual or otherwise)	Qualifications and Experience	Date of commencement of employment	Age (in years)	Last employment held	%age of equity shares held	Whether relative of director or manager
1	Mr. Sanjay M Karandikar Chief Executive	51.13	Regular	B.E. 35 Years	04.03.2008	57	Uflex Limited U.P.	Nil	No
2	Mr. Satish Kumar Sharma Executive Director	26.32	Regular	MBA 29 Years	01.05.1991	68	Rallis India Ltd	Nil	No
3	Mr. Surinder Singh V.P. Comm & Admin.	21.01	Regular	B.Com, CA Inter 37 Years	16.03.2011	64	Oswal F.M. Hammerle Textiles Ltd.	Nil	No
4	Mr. Uday S Deshpande V.P. Production	18.16	Regular	B.E. 24 Years	01.12.2017	45	Garware Polyester Ltd. MH	Nil	No
5	Mr. Ashok Gupta Sr. Manager Mechanical	16.68	Regular	B.E.Mech 30 Years	07.04.2011	57	Jindal Poly Films Ltd	Nil	No
6	Mr. Sachin Kumar Sr. Manager Marketing	15.03	Regular	MBA 14 Years	01.11.2018	36	Jindal Poly Films Ltd	Nil	No
7	Mr. Shailesh Singh Sr. Manager O.A.	13.30	Regular	MSC. 32 Years	04.02.2010	56	Uflex Limited U.P.	Nil	No
8	Mr. Rakesh Kumar Jain Chief Financial Officer	12.73	Regular	B.Com, CA 21 Years	01.02.2011	45	Ruchi Soya Industries Ltd.	Nil	No
9	Mr. Imran Ahmad Khan Manager Electrical	12.26	Regular	M.Tech 12 Years	15.09.2016	34	Uflex Limited U.P.	Nil	No
10	Mr. Kaushal Agrawal Manager Metallizer	10.51	Regular	MBA, Dip in Mech. 22 Years	12.01.2010	43	M.G.M Metallizer Ltd	Nil	No

FOR AND ON BEHALF OF THE BOARD

**JAWAHAR LAL OSWAL
(CHAIRMAN)**

PLACE : LUDHIANA

DATED: 12TH AUGUST, 2020

DIN: 00463866



Annexure-IV

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

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

(i) Measures taken for conservation of energy:

The growth of the industry and its rapid industrialization is putting tremendous pressure on the available energy resources. As such the need of the hour is to conserve energy and maximize output. Energy conservation is an ongoing process in our organization and the Company has taken following steps for the same:

1. The factory building has been designed to make use of natural lighting for the day time operation which will save energy.
2. The company has imported state of the art manufacturing facility from Bruckner of Germany. These machines consume low energy and will save considerably in terms of electricity consumption.
3. All the drives for main equipments of the plant are direct drives without gear boxes which reduces the power transmission losses.
4. The Company has started using PET coke thermic fluid heater which will reduce the energy cost as compared to present furnace oil thermic fluid heater. Besides this the Company has also used Lime Powder – Hydrauluted, 80%, Lime Stone – 25 To 40 MM, , Pet Coke, Ultra Low Sulphur diesel as fuel and Char Coal – Pet Coke as per detail given below:

ITEM	QTY.	AMOUNT (Rs.)
LIME POWDER - HYDRAUTED, 80%	15800.00	88007.54
LIME STONE - 25 TO 40 MM	14900.00	45104.05
PET COKE	1440.47	14740379.96
ULTRA LOW SULPHUR DIESEL	3369.50	236325.55
CHAR COAL - PET COKE	450.00	9000.00

(ii) Steps taken by the Company for utilizing alternate sources of energy:

- The Company has installed Metalizer CLCT (Close Loop Cooling Tower) in the year 2019-20 for saving of power energy. Due to the installation, the company saved 400000 units during the year.
- The company has installed LED light of 45 watt approx 100 in numbers in plant instead of HI bay fitting of 250 watt. By this, the company saved approx 39500 units in the year 2019-20.

(iii) The Capital investment on energy conservation equipments:

Capital Investment made in energy conservation equipment is Rs. 34,61,562 during the year 2019-20.

B. TECHNOLOGY ABSORPTION

The Company continues to make efforts for technology Absorption in its unit. The efforts made by the Company are summarized as under:

- **Efforts made towards Technology Absorption**
The company has imported the latest ultra modern machinery from Bruckner, Germany. It is expected that with the latest technology, company will be able to produce quality products at lowest cost of production.
- **Benefits derived as result of above efforts:**
With the above measures, company shall enjoy the benefit of improved quality, productivity & saving in manufacturing costs.
- **Information regarding Technology imported during the last three years:**

Detail of Technology imported	: NIL
Year of import	: NA
Whether the technology has been fully absorbed	: NA
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	: NA
Capital (Rs.)	: NIL
Recurring (Rs.)	: NIL
Total (Rs.)	: NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- (i)** Activities relating to Exports, initiative taken to increase exports, Development of New Export Market for products and export plans: During the financial year 2019-20 the Company was able to retain its old customers. At present the Company is exporting its products to Nigeria, United Kingdom, United Arab Emirates, Bangladesh, Turkey, Oman, Tanzania, Nepal, and Slovak Republic etc.

- (ii)** Total Foreign Exchange Outgo and earned

(in Rs.)

	Current Year 2019-20	Previous Year 2018-19
a) Foreign Exchange outgo	18,88,38,466	14,38,67,175
b) Foreign Exchange earned	16,59,35,850	2,86,55,739

FOR AND ON BEHALF OF THE BOARD

JAWAHAR LAL OSWAL

(CHAIRMAN)

PLACE : LUDHIANA

DATED: 12TH AUGUST, 2020

DIN: 00463866

**Annexure-V****CORPORATE GOVERNANCE REPORT****I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your company continues to practice the principle of good Corporate Governance. It is company's firm belief that good Corporate Governance is a key to success of business. The company's philosophy envisages an attainment of highest level of the transparency and accountability in its operations so that company's goal of creation and maximization of wealth of the shareholders could be achieved. Moreover Good Corporate Governance practices ensure that Company gain as well retain the trust of Shareholders. The SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter referred to as "SEBI LODR Regulations, 2015") incorporate certain mandatory disclosure requirements which shall be made with regard to Corporate Governance (Part C of Schedule V). Further, the SEBI vide its circular dated 9th May, 2018 has amended few Regulations of SEBI LODR Regulations, 2015, through SEBI LODR (Amendment) Regulations, 2018, which are applicable as specifically provided in these Regulations (SEBI LODR (Amendment) Regulations, 2018) and they shall come into force w.e.f. 1st April, 2019. Accordingly we are pleased to report on the corporate governance as hereunder:-

II. BOARD OF DIRECTORS**a. Board Composition:**

Your Management believe that well informed and Independent Board is necessary to ensure high standard of Corporate Governance. The Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribe that the Board of the Company should have the optimum combination of executive and non-executive directors with at least one woman director. Provided where the regular non-executive Chairperson is promoter of the listed entity or is related to any promoter then at least half of the Board of Directors shall consist of Independent Directors.

We are pleased to inform that Company's Board is an optimal mix of Executive, Non-Executive and Independent Directors so as to maintain its independence in Governance and Management of the Company. The strength of the Board as on 31st March, 2020 is 12 (Twelve) Directors. Mr. Satish Kumar Sharma is Executive Director of the Company. Mr. Jawahar Lal Oswal is Non-Executive Chairman. He is also one of the promoters of the Company. Accordingly, in compliance with Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Board consisting of half of the Board as Independent Non-Executive Directors namely: Dr. Amrik Singh Sohi, Dr. Inder Mohan Chhibba, Dr. Suresh Kumar Singla, Dr. Yash Paul Sachdeva, Dr. Vijay Asdhir and Dr. Manisha Gupta. Mr. Dinesh Oswal, Mr. Kamal Oswal, Mr. Dinesh Gogna and Mr. Komal Jain are other Non-executive Directors of the Company. Dr. Manisha Gupta is an Independent Woman Director of the Company. Thus, the Company has complied with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We would like to inform you that Mr. Komal Jain resigned from the Directorship of the Company effective from 26th June, 2020. The board placed on record its appreciation for assistance and guidance provided by Mr. Komal Jain during his tenure as Director of the company. Further, on the recommendation of Nomination and Remuneration Committee and approval of the Board, Mr. Sambhav Oswal, who has been appointed as Additional Director effective from 26th June, 2020, in respect of whom a notice has been received from the member in writing under Section 160(1) of the Companies Act, 2013 has been proposed to be appointed as Director of the company. Mr. Sambhav Oswal has also been appointed as an Executive Director of the company effective from 1st July, 2020 for a period of five years subject to the shareholder's



approval at the ensuing Annual General Meeting of the company. The resolution for the same has been proposed for the approval of shareholders in the accompanying Notice of the Annual General Meeting.

b. Board Meetings held and dates on which held:

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every company is required to hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. We are pleased to report that the Company held Six Board Meetings during the year. i.e. on **30th May, 2019, 13th August, 2019, 11th October, 2019, 11th November, 2019, 16th December, 2019** and

12th February, 2020 with a clearly defined agenda and has thus, complied with the said provisions of the Act. The agenda along with the explanatory notes were circulated to the directors well in advance. Every Board member could suggest the inclusion of additional items in the agenda. All the Directors striven to be present at the Board Meetings.

The last Annual General Meeting held on 30th September, 2019 for the Financial Year 2018-19.

c. Details of Attendance of Directors at the Board Meetings and Last Annual General Meeting:

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The Attendance record of directors in the Board Meeting and the last Annual General Meeting held during the year 2019-20 is given here under:

Name of Director	Category	No. of Directorships in other Public Companies	No. of Committee positions in other Public Companies		No. of Meetings Attended	Last AGM Attended	No. of Shares held	Directorship in other Listed Entity	Category of Director - ship
			Member	Chairman					
Mr. Jawahar Lal Oswal	Non-Executive Promoter	9	--	--	6	No	21214	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited 4. Monte Carlo Fashions Limited	Director
Mr. Dinesh Oswal	Non-Executive Promoter	10	--	--	6	Yes	105273	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited	Director
Mr. Kamal Oswal	Non-Executive Promoter	9	1	0	6	No	31500	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills limited 3. Oswal Leasing Limited 4. Nahar Capital and Financial Services Limited	Director
Mr. Satish Kumar Sharma	Executive	2	3	0	6	Yes	--	1. Nahar Spinning Mills limited 2. Nahar Capital and Financial Services Limited	Director
Mr. Dinesh Gogna	Non-Executive	9	5	2	5	Yes	2127	1. Nahar Spinning Mills limited 2. Nahar Capital and Financial Services Limited 3. Nahar Industrial Enterprises Limited 4. Monte Carlo Fashions Limited 5. Oswal Leasing Limited	Director
*Mr. Komal Jain	Non-Executive	9	--	2	6	Yes	--	1. Kovalam Investment and Trading Company Limited	Director
Dr. Amrik Singh Sohi	Non-Executive Independent	4	2	1	4	Yes	--	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited 4. Monte Carlo Fashions Limited	Independent Director



Dr Inder Mohan Chhibba	Non-Executive Independent	--	--	--	6	Yes	--	--	Independent Director
Dr. Suresh Kumar Singla	Non-Executive Independent	5	4	3	6	Yes	--	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited 4. Monte Carlo Fashions Limited	Independent Director
Dr. Yash Paul Sachdeva	Non-Executive Independent	1	--	--	4	Yes	--	--	Independent Director
Dr. Vijay Asdhir	Non-Executive Independent	3	1	2	3	No	--	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited	Independent Director
Dr. Manisha Gupta	Non-Executive Independent	4	2	0	6	Yes	--	1. Nahar Spinning Mills Limited 2. Nahar Capital and Financial Services Limited 3. Monte Carlo Fashions Limited	Independent Director
**Mr. Sambhav Oswal	Executive	3	--	--	--	--	1000	--	--

*Mr. Komal Jain resigned from the directorship w.e.f. 26.06.2020.

**Mr. Sambhav Oswal appointed as Additional Director w.e.f. 26.06.2020 and Executive Director w.e.f. 01.07.2020 subject to shareholder's approval.

d. Number of other Board of Directors or Committees in which Directors are member or chairperson:

The information regarding other Board of Directors or Committees in which Directors are member or chairperson as on 31st March, 2020 is already given in the table at Para C above. None of the Director holds Directorship in more than twenty Companies and a Director of more than ten public companies as prescribed under Section 165(1) of the Companies Act, 2013. The number of Committees in which a Director can be a member or chairperson are as per the limit specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Disclosure of relationship between directors inter-se:

Mr. Jawahar Lal Oswal is the father of Mr. Kamal Oswal and Mr. Dinesh Oswal and Grandfather of Mr. Sambhav Oswal. Mr. Kamal Oswal and Mr. Dinesh Oswal are brothers. Mr. Sambhav Oswal is the son of Mr. Dinesh Oswal and nephew of Mr. Kamal Oswal. No other director is related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013.

f. No. of Shares or Convertible Instruments held by non-executive directors:

Mr. Jawahar Lal Oswal is Chairman and Non-

Executive Promoter Director holding 21214 equity shares of Rs. 5/- each. Mr. Dinesh Oswal and Mr. Kamal Oswal are Non-Executive Promoter Directors and they are holding 105273 and 31500 equity shares of Rs. 5/- each of the company respectively. Mr. Dinesh Gogna is a Non-Executive Director holding 2127 equity shares of Rs. 5/- each of the company. Mr. Sambhav Oswal is Additional Director (Executive) holding 1000 equity shares of Rs. 5/- each of the company. None of the other Non-Executive Director is holding any share or convertible instruments issued by the Company.

g. Web link of Familiarization Programs:

The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at http://owmnahar.com/nahar_polyfilm/pdf/Familiarization_Program.pdf

h. Board-skills/expertise/competencies:

Pursuant to Regulation 34(3) read with Schedule V Part C - 2(h) of Listing Regulations, the Board of Directors has identified the following requisite skills/expertise and competencies as required in the context of Company's business and sector to function effectively and which are currently available with the Board:



Sr. No.	Core skills/expertise/competencies
1.	Leadership skills
2.	Industry knowledge and experience
3.	Managerial and entrepreneurial skills
4.	Experience and exposure in policy shaping and industry promotion
5.	Understanding of relevant laws, rules, regulations and policies
6.	Corporate Governance
7.	Financial expertise/Knowledge
8.	Risk Management
9.	Information Technology

A chart matrix setting out area of skills/expertise/competencies currently available with the Board:

Name of Director	Area of skills/expertise/competencies								
	Industry Knowledge	Leadership	Managerial and Entrepreneurial skills	Exposure in policy shaping	Understanding of law, rules & regulations	Corporate Governance	Financial Expertise/Knowledge	Risk Management	Information Technology
Mr. Jawahar Lal Oswal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Dinesh Oswal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Kamal Oswal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Dinesh Gogna	✓	✓	✓	✓	✓	✓	✓	✓	✓
*Mr. Komal Jain	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. S.K. Sharma	✓	✓	✓	✓	✓	✓	✓	✓	✓
*Mr. Sambhav Oswal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. S.K. Single	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Yesh Paul Sachdeva	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Amrik Singh Sohi	✓	✓	✓	✓	✓	✓	-	✓	-
Dr. Inder Mohan Chhibba	✓	✓	✓	✓	✓	✓	-	✓	-
Dr. Vijay Asdhir	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Manisha Gupta	✓	✓	✓	✓	✓	✓	✓	✓	✓

*Details of resignation of Mr. Komal Jain and appointment of Mr. Sambhav Oswal are as per point II(a) of the Corporate Governance report.

In the above table, the specific areas of focus or expertise of individual board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification/skill.

- i. Confirmation of Independent Directors:**
Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions required for independent directors as specified in the Listing Regulations and are independent of the

management.

- j. Resignation of an Independent Director:**
Pursuant to Clause C(2)(j) of Schedule V read with Regulation 34(3) of Listing Regulations, requirement of providing the detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those is not applicable as no Independent Director has resigned during the year under review.

- k. Separate Meeting of Independent Directors:**
Pursuant to the provisions of the Companies Act, 2013 and the rules made thereunder the Independent Directors are required to hold atleast one meeting in a year without the attendance of Non-Independent Directors and members of Management. We are pleased to report that the Company's Independent Directors met on 12th December, 2019, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the Meeting, they -

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

- l. Confirmation of Independent Director Databank Registration:**

The Company has received declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate



Affairs as per notification dated October 22, 2019.

III. BOARD COMMITTEES

The Board has constituted Audit committee, Nomination and Remuneration committee, Stakeholder Relationship committee, which helps the Board in good corporate governance. Normally, all the committees meet four times in a year. The recommendation of the Committees submitted to the Board for their approval.

1. AUDIT COMMITTEE

a. Brief Description of Terms of Reference:

The Board has constituted an independent and qualified Audit Committee. The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177(4) of the Companies Act, 2013.

b. Composition:

The Audit Committee is comprised of three Non-Executive Directors under the chairmanship of Dr. S. K. Singla, who is an Independent Director. Mr. Dinesh Gogna, a Non-Executive Director and Dr. Yash Paul Sachdeva, an Independent Directors are the two other members of the Audit Committee. The committee is reconstituted on 11th October, 2019. Dr. Yash Paul Sachdeva became the member in place of Dr. Vijay Asdhir. Dr. S.K. Singla is a retired Prof.-cum-Head of Department of Business Management, Punjab Agricultural University, Ludhiana. He is having 34 years of experience in teaching Finance and Management and at present he is working as a director in Guru Nanak Auto Institute of Management and Technology. Mr. Dinesh Gogna is also a senior corporate executive having 40 years of experience in Corporate Finance, taxation, Financial and Accounting matters. Likewise, Dr Vijay Asdhir who is Post Graduate in Commerce, and having 38 years of experience in Teaching and Administration and at present he is working as Director in the Khalsa Institute of Management, Ludhiana. Dr. Yash Paul

Sachdeva has done MBA and PhD (Business Administration) and having 35 years of experience in the field of Business Management. Currently, he is working as a professor in Punjab Agricultural University, Ludhiana. Mrs. Nidhi Khande was the secretary of the committee, who resigned from the company on 30th May, 2019. Ms. Bhoomika who was appointed as Company Secretary of the company effective from 30th May, 2019 is also the Secretary of the committee w.e.f. 30th May, 2019. Mr. Rakesh Kumar Jain is Chief Financial Officer of the Company, a permanent invitee of the Committee. The statutory Auditors, internal auditors and Cost Auditors are also invited to attend the meetings, as and when felt necessary and as per relevant provisions of the applicable laws/rules.

The Audit Committee helps the board in monitoring Company's financial reporting process and ensures timely and accurate disclosure. The committee also oversees the work of internal and statutory auditors.

c. Meetings and Attendance

During the financial year 2019-20, the committee met four times i.e. on 30th May, 2019, 13th August, 2019, 11th November, 2019 and 12th February, 2020 for reviewing and adopting the quarterly Audited / Un-audited financial results before recommending the same to the Board of Directors for their perusal and adoption.

Mr. S.K. Singla, Chairman of the Audit Committee attended the last Annual General Meeting of the company held on 30th September, 2019 and replied/clarified the queries raised at the Annual General Meeting.

The attendance record of the Audit Committee members at the meetings during the year 2019-20 is as under:-

Name of the Member	No. of meetings held	No. of meetings attended
Dr. S.K. Singla	4	4
Mr. Dinesh Gogna	4	4
Dr. Vijay Asdhir	2	1
Dr. Yash Paul Sachdeva	2	2

2. NOMINATION & REMUNERATION COMMITTEE
a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board constituted the Nomination and Remuneration Committee. The broad term of reference of the Nomination and Remuneration Committee is as per the requirements of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee identifies the persons who are suitable and qualified enough to become directors and who may be appointed in the Senior Management category in accordance with the criteria laid down / approved by the Board and recommend to the Board their appointment & removal. It carries out the evaluation of every director's performance. The Committee also ensures that the Company's remuneration policies, in respect of Executive Director, Key Managerial Personnel, Senior Executives and others are competitive so as to recruit and retain best talent in the company. It also ensures that appropriate disclosure of remuneration paid to the Directors, Executive Director, KMP and Senior Executives are made as per the applicable provisions of the Companies Act, 2013. It also devises a policy on "Diversity of Board of Directors".

b. Composition:

The Nomination and Remuneration committee comprised of three Non-Executive directors under the chairmanship of Dr. S. K. Singla who is an Independent Director. Mr. Komal Jain, a Non-Executive Director and Dr. Manisha Gupta, an Independent Director are the two other members of the committee. As Mr. Komal Jain, Director has resigned w.e.f. 26.06.2020, Dr. Inder Mohan Chhibba has been appointed in place of Mr. Komal Jain as Member of the

committee.

c. Meetings and Attendance:

The Nomination and Remuneration Committee met thrice during the year i.e. on 30th May, 2019, 13th August, 2019 and 16th December, 2019. The attendance record of the Members at the meetings held during the year 2019-20 is as follow:-

Name of the Member	No. of meetings held	No. of meetings attended
Dr. S.K. Singla	3	3
Dr. Manisha Gupta	3	3
Mr. Komal Jain	3	3

d. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of parameters for evaluation includes education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgement, ability to communicate effectively with other board members and Management, effective decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

e. Remuneration of Directors
(i) Pecuniary relationship or transactions of the Non-executive Directors vis-à-vis the Company:

None of the Non-Executive Director has any pecuniary relationships or transactions vis-à-vis the Company.

(ii) Criteria of making payment to Non-executive Directors:

The Non-Executive Directors are paid remuneration in the form of sitting fee of Rs. 10,000/- per meeting for attending the Board Meeting of the Company. The detail of sitting fee paid to Non executive Directors are during the year 2019-20 is as follows:



Name of Director	Sitting Fee (Rs.)
Mr. Jawahar Lal Oswal	60000
Mr. Dinesh Oswal	60000
Mr. Kamal Oswal	60000
Mr. Dinesh Gogna	50000
Mr. Komal Jain	60000
Dr. Amrik Singh Sohi	40000
Dr Inder Mohan Chhibba	60000
Dr. Suresh Kumar Singla	60000
Dr. Yash Paul Sachdeva	40000
Dr. Vijay Asdhir	30000
Dr. Manisha Gupta	60000
TOTAL	5,80,000

(iii) Disclosures with respect to remuneration:

All the non-executive directors of the Company are paid sitting fees for attending Board Meeting. Mr. Satish Kumar Sharma being the Executive Director of the Company has been paid remuneration pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013. The disclosure in respect of remuneration paid to Mr. Satish Kumar Sharma is as detailed below:

(iv) Elements of remuneration package

The elements of remuneration package paid to Mr. Satish Kumar Sharma, Executive Director of the Company during the year 2019-20 is as follows:

Name of the Director	Salary	Benefits	Bonuses	Stock Options	Pension	Total
Mr. Satish Kumar Sharma	26,32,168	--	--	--	--	26,32,168

(v) Details of fixed components and performance linked incentives, along with performance criteria

The remuneration of Executive Director of the Company comprises of fixed component only i.e. salary, perquisites and retirement benefits. He is not entitled to any performance linked incentives. The remuneration of Executive Director is recommended by the Nomination

and Remuneration Committee and approved by Board of Directors and shareholders of the Company.

(vi) Service contracts, Notice period and Severance fees

The tenure of office of Executive Director is for three years from the respective date of appointment and can be terminated by either party by giving one month notice in writing. There is no separate provision for payment of severance fees.

(vii) Stock option details

None of the Non-Executive Director has been granted any stock option by the Company.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE**a. Brief Description of Terms of Reference:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted the Stakeholders' Relationship Committee. The Committee looks into the complaints/grievances of shareholders in respect of transfer/transmission of shares, Non receipt of Dividend, Share Certificates, and Annual Reports etc. and recommends measures for improving the quality of investor service. The Committee also oversees the performance of M/s Alankit Assignments Ltd. the Registrar and Transfer Agent of the Company. The main objective of the committee is to assist the Board and Company in maintaining healthier relationship with all stakeholders.

b. Composition:

The Stakeholders' Relationship Committee comprised of three Non-Executive directors under the Chairmanship of Dr. Manisha Gupta, who is Woman Independent Director. Mr. Komal Jain, a Non-Executive Director and Dr. A. S. Sohi, an Independent Director are the two other members of the Committee. As Mr. Komal Jain, Director has resigned w.e.f. 26.06.2020, Mr. Dinesh Gogna has been appointed in place of Mr. Komal Jain as Member of the committee.



c. Meetings and Attendance

The Committee met four times during the year. i.e. on 30th May, 2019, 13th August, 2019, 11th November, 2019 and 12th February, 2020. The attendance record of members at the meetings held during the year 2019-20 is as follow:-

Name of the Member	No. of meetings held	No. of meetings attended
Dr. Manisha Gupta	4	4
Mr. Komal Jain	4	4
Dr. A. S. Sohi	4	2

d. Name & Designation of Compliance Officer

Mrs. Nidhi Khande resigned from the designation of company secretary & Compliance Officer on 30th May, 2019. During the financial year 2019-20, Ms. Bhoomika appointed as Company Secretary & Compliance Officer of the company w.e.f. 30th May, 2019.

e. Details of Investors' complaints received/resolved/not solved to the satisfaction of shareholders/pending:

The Company has been quick in redressal of the grievances of the shareholders and has attended to most of the investors correspondence/grievances within a period of 7 to 10 days from the date of the receipt of the same. The details of Investors' complaints received/resolved/not solved to the satisfaction of shareholders/pending is given here below:

- No. of complaints received during the year: **4**
- No. of complaints resolved during the year: **4**
- No. of complaints not solved to the satisfaction of shareholder: **NIL**
- No. of complaints pending as on 31st March, 2020: **NIL**

f. Dedicated e-mail for Investor Grievance

To enable investors to register their grievances, the Company has designated an exclusive e-mail id. i.e. gredressalnpl@owmnahar.com.

4. SHARE TRANSFER COMMITTEE

The company has also constituted a share

transfer committee comprising of four members under the Chairmanship of Mr. Dinesh Oswal, Mr. Dinesh Gogna and Mr. Komal Jain, Directors of the Company. As Mr. Komal Jain, Director has resigned w.e.f. 26.06.2020, Dr. Inder Mohan Chhibba has been appointed in place of Mr. Komal Jain as Member of the committee. Mrs Nidhi Khande, Company Secretary was the member of the committee till 30th May, 2019. She resigned from the company on 30th May, 2019. During the year 2019-20, Ms. Bhoomika appointed as Company Secretary of the company w.e.f. 30th May, 2019 and also the member of the committee. The committee is responsible for approving the transfer and transmission of securities, dematerialization of shares, issuance of duplicate share certificates and other shareholders related issues. The committee met twenty one times during the period April, 2019 to March, 2020 i.e. 15th April, 2019, 30th April, 2019, 16th May, 2019, 31st May, 2019, 29th June, 2019, 15th July, 2019, 30th July, 2019, 9th August, 2019, 30th August, 2019, 13th September, 2019, 16th September, 2019, 30th September, 2019, 15th October, 2019, 31th October, 2019, 15th November, 2019, 29th November, 2019, 16th December, 2019, 31th December, 2019, 31th January, 2020, 29th February, 2020 and 20th March, 2020. The attendance of the members is as follows:-

Name of the member	No. of meetings held	No. of meetings attended
Mr. Dinesh Oswal	21	20
Mr. Dinesh Gogna	21	14
Mr. Komal Jain	21	21
Mrs. Nidhi Khande	3	3
Ms. Bhoomika	18	18

Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the Shares (in respect of which dividend remain unpaid / unclaimed for a period



of seven consecutive years) to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: http://owmnahar.com/nahar_polyfilm/Transfer-of-Equity-Shares-to-IEPF.php. The said details have also been uploaded on the website of the IEPF Authority.

The Shareholders can claim their subjected shares/dividend by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The Shareholders can also view the procedure at www.iepf.gov.in.

As per SEBI circular no. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002 the company has appointed M/s. Alankit Assignments Ltd, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the shareholders, investors, members of stock exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer, Demat, Remat, Change of Address etc. to our Registrar, whose address and telephone no. etc. have already been mentioned in Director's Report.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board constituted the Corporate Social Responsibility Committee as per the provisions of Section 135 of the Companies Act 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The Committee formulated and recommended company's CSR policy to the Board which was approved and adopted by the Board of Directors. The Company's CSR policy is also available on Company's website www.owmnahar.com. As per policy, company is undertaking CSR activities in collaboration with group Companies under one umbrella i.e. through Oswal Foundation which is a Registered Society formed in 2006. The

Committee oversees and monitors the activities /programmes/projects undertaken by Oswal foundation.

a. Composition

The CSR Committee comprises of three Directors under the chairmanship of Mr. Dinesh Oswal, Director of the Company. Dr. S.K. Singla, Independent Director and Mr. Dinesh Gogna, Non-executive Director are other two members of the Committee. There has been no change in the composition of the committee during the year.

b. Meetings and Attendance

During the year under review, the Committee met twice i.e. on 13th August, 2019 and 31st March, 2020. The attendance record of members at the meeting held during the year 2019-20 is as follow:-

Name of Member	No. of Meetings Held	No. of Meetings Attended
Mr. Dinesh Oswal	2	2
Dr. S.K. Singla	2	2
Mr. Dinesh Gogna	2	2

The CSR report, as required under the Act for the year ended 31st March, 2020 is attached as 'Annexure I' to the Director's Report.

6. RISK MANAGEMENT COMMITTEE:

As per the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Top 500 listed entities, determined on the basis of market capitalization as at the end of immediate previous financial year shall constitute a Risk Management Committee. We would like to inform you that the Company does not fall under the said category. Accordingly, this regulation is not applicable to the company. However, no business is free from Normal Business Risks i.e. financial risk, Exchange risk, Policy risk, Global risk etc. The Audit Committee through its risk policies takes care of the risks so that the company could face the challenges and risk associated with the Business successfully and become a Global competitive company.



IV. GENERAL BODY MEETINGS

a. The details of the last three Annual General Meetings are as under:-

Financial Year	Location	Date	Time
2016-17	Premises Nahar Industrial Enterprises Ltd.	26.09.2017	12:30 PM
2017-18	Premises Nahar Industrial Enterprises Ltd.	28.09.2018	12:30 PM
2018-19	Premises Nahar Industrial Enterprises Ltd.	30.09.2019	12:30 PM

b. Whether any Special Resolutions passed in the previous three Annual General Meetings:

2016-17	<ol style="list-style-type: none">To Re-appoint Dr. Amrik Singh Sohi, as an Independent Director of the Company to hold office for 5 consecutive years.To Re-appoint Dr. Suresh Kumar Singla, as an Independent Director of the Company to hold office for 5 consecutive yearsTo Re-appoint Dr. Yash Paul Sachdeva, as an Independent Director of the Company to hold office for 5 consecutive yearsTo Re-appoint Dr. Vijay Asdhir, as an Independent Director of the Company to hold office for 5 consecutive years
2017-18	<ol style="list-style-type: none">To approve continuation of holding of office as non-executive director by Mr. Jawahar Lal Oswal (DIN: 004638866), upon attaining the age of 75 years.
2018-19	<ol style="list-style-type: none">To consider the re-appointment of Mr. Satish Kumar Sharma as an Executive Director of the company.

c. Whether any Special Resolution passed last year through postal ballot.

No special resolution was passed during the financial year ended 31st March, 2020 through postal ballot.

d. Person who conducted the postal ballot exercise:

Not applicable as no special resolution was passed during the financial year ended 31st March, 2020 through postal ballot.

e. Whether any special resolution is proposed to be conducted through postal ballot.

Presently, no Special Resolution is proposed to be conducted through postal ballot.

f. Procedure for postal ballot.

Not applicable, whenever any special resolution will be conducted through postal ballot, the

procedure for postal ballot shall be as per the applicable provisions of Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

V. MEANS OF COMMUNICATION

a. Quarterly Results:

The Company's quarterly results in the format prescribed by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are approved and taken on record by the Board within the prescribed period under the Regulations and sent immediately to all Stock Exchanges on which the Company's shares are listed.

b. Newspapers wherein results normally published:

The financial results of the Company are published in leading News Paper(s) i.e. For English language in Business Standard / Financial Express and for vernacular language in Dainik Jagran.

c. Any website, where displayed:

The Company's Quarterly, Half yearly and Annual compliances / Results are displayed on the website of the Company i.e. www.owmnahar.com.

The Quarterly and Annual Financial Statement along with the Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report, Cash Flow Statement, Corporate Governance Report, Report on Management Discussion and Analysis and Shareholding Pattern etc. can also be retrieved by the investors from the website of the Company, BSE Limited and National Stock Exchange of India Limited.

d. Whether it also displays official news releases:

Whenever any official news is released, the same is also displayed on the Company's website i.e. www.owmnahar.com.

e. Presentations made to institutional investors or to the analysts:

Whenever any presentation about Company's working is made to the Financial Institutional Investors or to the Analyst, the same is



displayed on the Company's Website i.e. www.owmnahar.com.

VI. GENERAL SHAREHOLDERS INFORMATION

a. Annual General Meeting

Date : 29th September, 2020
Day : Tuesday
Time : 03:30 P.M.
***Mode** : Video Conferencing / Other Audio Visual Mode
Remote E-Voting : 26th September, 2020 to 28th September, 2020

*Pursuant to the circular of Ministry of Corporate Affairs dated 5th May, 2020 for the holding of AGM through Video Conferencing or other audio visual means in the period of COVID-19, the company opted to hold its Annual General Meeting through Video Conferencing, details of which are provided in Notice of AGM.

b. Financial Year : The Financial year of the company comprises of twelve months starting from 1st April of every year and ends at 31st March of next year. The current financial year of the company is from 1st April, 2019 to 31st March, 2020.

c. Dividend Payment :

On or before 10th October, 2020

d. Date of Book Closure : 19th September, 2020 to 21st September, 2020 (both days inclusive)

e. Name and address of the Stock Exchanges at which the securities of the Company are listed:

The BSE Limited 25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001	The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051
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The listing fees payable to BSE and NSE for 2020-21 have been paid in full by the Company.

f. Stock Code :

For trading at BSE: 523391
 For trading at NSE: NAHARPOLY

g. Demat ISIN Number in NSDL and CDSL for Equity Shares: INE308A01027

The Annual Custodian Fees for the Financial

Year 2020-21 have been paid to National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

h. Market Price Data-high low during each month in last financial year

The Company's equity shares are listed at BSE and NSE. Accordingly, the month wise High and Low stock prices from April, 2019 to March, 2020 are as follows:

Month	BSE		NSE	
	High	Low	High	Low
April, 2019	39.90	33.55	39.35	33.60
May, 2019	41.00	30.00	39.25	30.85
June, 2019	40.20	31.00	39.65	32.05
July, 2019	38.50	24.30	36.00	24.10
August, 2019	39.60	22.00	39.60	24.00
September, 2019	39.80	30.15	37.00	30.60
October, 2019	37.50	32.25	36.35	32.10
November, 2019	39.00	32.90	38.40	33.05
December, 2019	38.00	30.05	35.00	29.80
January, 2020	42.85	30.10	42.95	32.10
February, 2020	43.85	33.00	44.10	34.00
March, 2020	40.00	24.00	39.95	23.05

Source: Data has been taken from the website of the BSE and NSE. The Company does not have any other sources for verification of data.

i. In case the securities are suspended from trading, reason thereof : The Company's securities have not been suspended from trading during the year under review.

j. Registrar to an issue and Share Transfer Agents

As per SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002 the Company has appointed M/s Alankit Assignments Ltd. New Delhi, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the Shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer, Demat/Remat, Change of Address etc. to our Registrar whose address and telephone nos. etc. have already been



mentioned in the Directors' Report.

In case any query/complaint remains unresolved with our Registrar, please write to the Company Secretary at the Registered Office of the Company. Members may kindly note that the Registrar & Transfer Agent and/or the Company will not entertain request for noting of change of address/bank details/ECS mandate in case of accounts with demat holding. For this purpose, shareholders should approach their Depository Participant.

k. Performance in Comparison to broad based indices such as BSE Sensex:

The Company's equity shares are listed at BSE and NSE. Accordingly, Comparison between Nahar Poly Films Limited closing price variation and BSE Sensex in percentage from April, 2019 to March, 2020 is as under:

Financial year	Share Price of the Company				BSE Sensex			
	Highest (Rs)	Lowest (Rs)	Closing (Rs)	%age change over last months closing	Highest (Rs)	Lowest (Rs)	Closing (Rs)	%age change over last months closing
April, 2019	39.90	33.55	34.20	-9.04	39487.50	38460.30	39031.60	+0.93
May, 2019	41.00	30.00	37.15	+8.62	40125.00	36956.10	39714.20	+1.75
June, 2019	40.20	31.00	34.65	-6.73	40312.10	38871.00	39394.60	-0.80
July, 2019	38.50	24.30	26.95	-22.22	40032.40	37128.30	37481.10	-4.86
August, 2019	39.60	22.00	31.80	+17.99	37807.60	36102.40	37332.80	-0.40
September, 2019	39.80	30.15	34.45	+8.33	39441.10	35987.80	38667.30	+3.57
October, 2019	37.50	32.25	35.00	+1.60	40392.20	37415.80	40129.10	+3.78
November, 2019	39.00	32.90	33.05	-5.57	41163.80	40014.20	40793.80	+1.66
December, 2019	38.00	30.05	33.90	+2.57	41810.00	40135.40	41253.70	+1.13
January, 2020	42.85	30.10	37.00	+9.14	4227390	40476.60	40723.50	-1.29
February, 2020	43.85	33.00	37.05	+0.14	41709.30	38220.00	38297.30	-5.96
March, 2020	40.00	24.00	26.05	-29.69	39083.20	25638.90	29466.50	-23.05

Source: Data has been taken from the website of the BSE. The Company does not have any other sources for verification of data.

l. Share Transfer System

The company has constituted share transfer committee consisting of four members, namely Mr. Dinesh Oswal, Mr. Dinesh Gogna and Mr. Komal Jain, Directors of the Company and Ms. Bhoomika, Company Secretary of the Company. Normally Share transfer committee meets twice in a month to approve the transfer/transmission/transposition, issue of duplicate share certificates & dematerialization of shares and duly transferred shares are

generally dispatched within the prescribed period under the Companies Act, 2013/SEBI LODR Regulations, 2015.

As required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate is obtained every six month from a Practicing Company Secretary within one month from the end of each half of financial year certifying that all certificates has been issued within 15 days of their lodgment for transfer, transmission, sub-division, consolidation, renewal & Exchange or endorsement. The Certificates is forwarded to BSE & NSE where the equity shares of the Company are listed.

m. Distribution of Shareholding

As on 31st March, 2020, your Company had 17185 shareholders having a total of 24587991 equity shares. The following is the distribution of Shareholding.

No. of Shares held	No. of Shareholders	Percentage of Shareholders	Aggregate Shareholding	Percentage of Shareholding
1-500	15160	88.22	2229135	9.07
501-1000	1330	7.74	886654	3.61
1001-2000	367	2.14	534342	2.17
2001-3000	103	0.60	259542	1.06
3001-4000	63	0.37	227007	0.92
4001-5000	35	0.20	159986	0.65
5001-10000	74	0.43	534246	2.17
10000 and above	53	0.31	19757079	80.35
TOTAL	17185	100.00	24587991	100.00

n. The Shareholding pattern as on 31st March, 2020 as follows:

Shares held by	No. of Shares	Percentage of Shareholding
Promoters	17283559	70.29
Public	5811610	23.64
HUF	333592	1.36
Banks / Mutual Funds	2908	0.01
Foreign holdings (FIs, NRIs)	168303	0.69
Body Corporate	367123	1.49
Clearing Member	3420	0.01
Directors/Relatives of Directors	2127	0.01
IEPF	615349	2.50
TOTAL	24587991	100



o. Dematerialization of Shares and Liquidity

The Securities and Exchange Board of India (SEBI) has included Company's scrip in compulsory demat settlement for all type of investors. Thus, the dealing in company's equity shares can be in demat form only. To facilitate holding and trading of securities in electronic form, your Company has established connectivity with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). The investors have an option to dematerialize their equity shares with either of the Depositories. As on 31st March, 2020, 23664014 shares comprising 96.24% of the total Equity Capital of the Company has been dematerialized. Shares of the Company are actively traded on the BSE Limited and the National Stock Exchange of India Limited.

Further, SEBI vide its Gazetted notification dated June 08, 2018 amended the Regulation 40 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 whereby it has been provided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with the Depository. The said amendment shall come into force on the one hundred and eightieth day from the publication of Official Gazette.

In view of the above, members are hereby informed that w.e.f. 5th December, 2018 request for effecting transfer of securities in physical form are not getting processed. Hence, all members who are holding equity shares in physical form are requested to go in for dematerialization of securities at the earliest.

p. Outstanding American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any Convertible Instruments, which is likely to have

any impact on the equity of the Company.

q. Commodity price risk or foreign exchange risk and hedging activities

The Company is in the Manufacturing of BOPP Films has not dealt in any commodity market and thus there is no commodity price risk. Since the Company is in the export of BOPP Films and to cover itself from exchange rate fluctuations it goes in for partial hedging by normal booking in the normal course of the business. The Company is not involved in any speculative activities.

r. Plant Location

Village Sarakian, Itayakalan, Distt. Raisen (M.P.)

s. Address for Correspondence

"Nahar Tower"

376, Industrial Area-A,
Ludhiana - 141 003

Phone No. : 0161-2600701 to 2600705

Fax No. : 0161-2661180, 2222942

E-mail ID : secnel@owmnaahar.com

Website : www.owmnaahar.com

t. Credit Ratings

As on 31st March, 2020, the Company has obtained credit rating of "CARE A-" for long term bank facilities and "CARE A2+" for the short term bank facilities M/s. ICRA Limited. The rating "CARE A-" indicates stable and rating "CARE A2+" indicates strong degree of safety regarding timely payment of the financial obligations.

VII. OTHER DISCLOSURES

1. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

During the year, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract / arrangement/ transaction with related parties which could be considered material in

accordance with the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the details of transactions with the Related Parties/ Group Companies/ Associates Companies are disclosed in Notes to the Financial Statements as per applicable provisions.

2. Details of Non-compliance by the Company, penalties, strictures imposed by Stock Exchanges or the Board or any Statutory Authority on any matter related to capital markets during the last three years:

The Company continues to comply with the requirements of Stock Exchanges, SEBI or any other Statutory Authorities on all matters related to capital markets during last three years. No penalty or strictures have been imposed on the company by the said authorities relating to the above.

3. Details of establishment of Vigil Mechanism/ Whistle Blower Policy:

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, has established a Whistle Blower Policy/Vigil Mechanism for its Directors and employees to report genuine concerns or grievances about the unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or Policy. The Policy provides adequate safeguards against victimization of persons who use such mechanism. The Audit Committee regularly reviews the working of the Mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at http://owmnahar.com/nahar_polyfilm/pdf/vigil-mechanismwhistle-blower-policy.pdf.

4. Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The company has complied with all the mandatory requirements of Corporate Governance as prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Besides, the Company has also complied with the non mandatory requirements in respect of Corporate Governance as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as detailed below:

i. Un-modified opinion(s) in audit report:

The Company is already in a regime of financial statements with un-modified audit opinion.

ii. Reporting of internal auditor: The internal auditor may report directly to the Audit Committee.

The Company is yet to comply with other non mandatory requirements of the Corporate Governance as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5. Web link where policy for determining 'material' subsidiaries is disclosed:

The requirement of policy for determining 'material' subsidiaries is not applicable to the Company as it does not have any subsidiary company.

6. Web link where policy on dealing with related party transactions is disclosed:

The Company has formulated the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, which can be accessed at http://owmnahar.com/nahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf

7. Disclosure of commodity price risks and commodity hedging activities:

The Company is engaged in the Business of BOPP Films and the primary raw material for the manufacturing of BOPP Films is PP Resin which is a byproduct of petroleum with the share of around 90-95% of total raw material cost. The Price of Petroleum depends upon on price of



crude oil in the international market which keeps on fluctuating from time to time because of which the price of raw material varies. During the year, the company has not dealt in any commodity market, thus there is no commodity price risk. Further, the Company is not involved in any hedging activities.

8. Details of utilization of funds raised through preferential allotment or qualified institutions placement:

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

9. Certification from Company Secretary in Practice:

Mr. P.S. Bathla, Proprietor of M/s. P.S. Bathla & Associates, Practicing Company Secretaries, has issued a certificate as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such other authority. The certificate is attached with this Report.

10. Recommendation of Committees:

In the financial year 2019-20, the board has accepted all recommendations of the Committees.

11. Fees paid to Statutory Auditors:

The company has appointed M/s YAPL & Company, Chartered Accountants as Statutory Auditors of the company. The total fees for all services paid by the Company to the statutory auditors and all entities in the network firm/network entity of which the statutory auditors is a part, is Rs. 2,15,700/-.

12. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part

of the Directors' Report.

13. Prevention of Insider Trading:

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of practices and procedures for fair disclosure of unpublished price sensitive information" and "Code of Conduct to regulate monitor and report trading by insiders. The Code helps to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary being the Compliance Officer of the company is responsible for implementation of the Code.

14. Dividend Distribution Policy:

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that top 500 listed entities based on market capitalization shall formulate a dividend distribution policy. The Company does not fall in top 500 list of listed entities. Hence, the requirement to formulate a dividend distribution policy is not applicable to the Company.

15. Insurance Policy For Directors And Officers:

As per Regulation 25 (10) of Listing Regulations, top 500 listed entities w.e.f. 1st October, 2018 is required to undertake Director and Officer Insurance Policy. The company does not fall under the category of top 500 listed entities but for ensuring good Corporate Governance, Company has already taken Directors and Officers insurance ('D and O insurance') Policy.

16. Reconciliation of Share Capital Audit:

The Securities and Exchange Board of India has directed vide Circular No. D&CC/FITTC /CIR-16/2002 dated 31st December, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held



in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/paid up capital. The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.

17. CEO and CFO Certification:

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Certificate duly signed by the Executive Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 26th June, 2020.

VIII. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF:

The Company has complied with all the requirements of Corporate Governance Report from sub-para (2) to (10) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

IX. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS AS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(i)(b) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company has complied with all the Corporate Governance requirements as specified in Regulation 17 to 27 (except Regulation 21 and 24, which are not applicable to the Company) and Regulation 46 (2)(i)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

X. CODE OF CONDUCT

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standard of transparency. Accordingly, the Company has laid down a Code of conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. The Code of Conduct suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Board

members and Senior Managerial Personnel are complying with the said code of conduct. The code of conduct is also available on Company's website i.e. www.owmnahar.com. The Board members and senior management personnel affirm the compliance of this Code annually. A declaration by the Executive Director/CEO in terms of SEBI LODR Regulations, 2015 to the effect that members of the Board and senior management personnel have affirmed compliance with this Code of Conduct is attached with this Report.

XI. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

- a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil
- d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable
All the shares of the Company has already been allotted to the eligible allottees, hence there is no demat suspense account/unclaimed suspense account.

FOR AND ON BEHALF OF THE BOARD

**PLACE : LUDHIANA
DATED: 12TH AUGUST, 2020**

**JAWAHAR LAL OSWAL
(CHAIRMAN)
DIN: 00463866**



CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(Pursuant to Clause 10 of Part C of Schedule V of SEBI (LODR) Regulations, 2015)

To
The Members
M/s Nahar Poly Films Limited
Ludhiana

I have examined the relevant records of **M/s NAHAR POLY FILMS LIMITED** for the purpose of certifying compliance of requirements in Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2020.

In my opinion, to the best of my knowledge and belief, according to the explanations and information furnished to me and based on the written representation /declaration received from the Directors and taken on record by the Board of Directors, I certify that, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies, by the SEBI / Ministry of Company Affairs or any such statutory authority.

For P.S. Bathla & Associates
Company Secretaries

Sd/-
P.S. Bathla
(Proprietor)

FCS: 4391/CP No. 2585

Place : Ludhiana
Dated: 12th August, 2020

EXECUTIVE DIRECTOR'S DECLARATION

Pursuant to the requirement of Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board Members and Senior Management personnel of the company have affirmed compliance with Code of Conduct for Board of Directors and Senior Management Personnel for the year ended 31st March, 2020.

S.K. SHARMA
(Executive Director)
DIN: 00402712

Place : Ludhiana
Dated: 12th August, 2020

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Nahar Poly Films Limited
Ludhiana

We have examined the compliance of conditions of corporate governance by NAHAR POLY FILMS LIMITED for the year ended 31st March, 2020 as stipulated Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors and Management, we hereby certify that the Company has duly complied with the conditions of Corporate Governance as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For YAPL & Co.
Chartered Accountants
(FRN - 017800N)

Sd/-
Sakshi Garg
Partner

M. No. 553997

Place : Ludhiana
Dated: 12th August, 2020

**Annexure-VI****MANAGEMENT DISCUSSION AND ANALYSIS****MACROECONOMIC OVERVIEW**

The Global Economy faced several challenges last year ranging from slackness in demand, trade dispute between U.S.A. and China and other Geo Political uncertainty which slowdown the Global trade. The outbreak of COVID-19, a global pandemic further impacted the economic, social and financial structures of the whole world. The World Economic Outlook says that the global economy is projected to contract sharply by 3% in 2020, which is much worse than during the 2008-09 financial crises.

In India too, the economic implications of the COVID-19 pandemic are far reaching and has caused significant disturbance and slowdown of economic activity. The economic impact of this pandemic is much more as it has drastically altered the outlook for growth for year 2020-21. As per RBI Monetary Policy, the global economy is expected to slump into recession in 2020. The Government is taking steps to meet the challenges caused by the COVID-19 pandemic. It is expected that the policies measures taken by the Government will definitely provide the much needed support to the Indian economy.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Flexible packaging industry has emerged as one of the most popular packaging type in the world over a period of time. It is experiencing growth globally as a result of higher focus and preference of consumers towards hygiene and packaged food products. The demand for flexible packaging is expected to increase post COVID-19 pandemic. Currently, flexible packaging is the most popular type among other packaging types. Several technical and economic factors have made the flexible packaging industry as one of the most dynamic sector. Increase in consumer awareness, demand for quality goods, boom in e-commerce and organized retail is expected to enhance the growth of flexible packaging.

Flexible packaging offers various advantages such as high barrier properties, film stiffness, transparency, salability, recyclability, good printing

and coating which makes it highly suitable for the packaging of various products which includes biscuits, drugs, medicines, snack foods, processed and semi-processed foods, vegetables, edible oils, textile packaging etc and also for the wrapping of perfume cartoons, ready-made garment bags, adhesive tapes and print lamination. The online procurement has gone up with surge in flexible packaging. The global food packaging market reached a value of USD 302.20 Billion in 2019. The India's Packaging market was valued at USD 50.50 Billion in 2019 and is expected to reach USD 204.81 Billion by 2025, registering a CAGR of 26.7% during the period of 2020-2025. (Source: Report Linker).

Your Company is having an ultra modern BOPP Film Plant with a capacity of 30000 TPA, in the state of Madhya Pradesh and is selling its products in domestic as well as export markets. The Company has established its brand in the market. We are pleased to inform that the Company has decided to go for expansion of its BOPP plant with the capacity of 30,000 M.T. at a capital outlay of around Rs. 260 Crores which will be funded through internal accruals and Term Loan from banks. After the implementation of the said project, the total capacity of BOPP plant will stand increase to 60,000 M.T. The order for the machineries has been placed. The construction work of the plant is in full string. The machinery will start arriving from February, 2021 onwards. It is expected that with this addition, company will be able to produce more quality products at low cost of production.

OPPORTUNITIES AND THREATS

The growing demand for packaged food across the globe has propelled the need for BOPP films for packaging. As consumers across the globe are constantly gaining awareness regarding the way food products are packed, the demand for cost-effective and advanced packaging is increasing at a rapid pace. Growing consumer awareness regarding packaging, coupled with a shift in the preference for flexible packaging solutions is anticipated to catapult the demand for flexible packaging.



BOPP films have equivalent density that of Polypropylene. It is a preferred material in packaging that generates high yield and more cost effective than other substrates of packaging. Additionally, the rising demand for an enhanced shelf life of food products has resulted in a greater demand for high moisture barriers in packaging films. This is further projected to boost sales of BOPP films for packaging in the coming years.

Apart from conventional Tape/Textile and food packaging market, the new applications of BOPP films are emerging which will further improve the prospectus of the industry. The enormous untapped market for BOPP Films in emerging economies is also expected to offer growth opportunities to BOPP film Industry.

Though the BOPP Films industry continues to witness a reasonable growth on account of favorable factors but it is not immune from normal business threats and challenges. Because of the competitive plastic films, Industry faces stiff competition both from international as well as domestic manufactures. The Company has identified certain risks which may affect the performance of the Company. These include operational risks such as fluctuation in the prices of the raw materials which include crude, fluctuation in foreign exchange rates, regulatory risks, Government Policy etc. We are of the opinion that none of identified risk is such that which may threaten the existence of the Company.

COVID-19 PANDEMIC

The outbreak of Corona virus disease (COVID-19), a Global Pandemic has significantly impacted the Social and Economic activity. The Indian Government declared a complete lockdown from 23rd March, 2020 to 31st May, 2020 to combat the spread and transmission of virus and in compliance with the lockdown instructions issued by the Centre and State governments, the company temporarily suspended operations. However, the Government allowed some essential industries to operate and after seeking necessary approvals / permissions from the Government Authorities, the Company resumed its operations in April, 2020. The situation is still not clear and changing dynamically. The management is making continuous efforts to assess

and minimise the impact of COVID-19 on business operations.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The disclosure requirements of Ind AS-108, issued by the Institute of Chartered Accountants of India are not applicable on the company as the main business activity of the company fall under single segment.

FUTURE OUTLOOK

We anticipate that in coming years the BOPP Films industry seems to show reasonably good growth in comparison to the previous years. The phenomenal growth of retail segment coupled with economic growth of the Country is expected to influence the flexible packaging industry favorably. With the coming of new segment of liquid packing which includes flexible pouches, tetra packs, coated products etc, the company finds new business opportunities to grow. Your company is looking at the future with optimism and shall be expanding its business activities into new areas, in due course of time so that it can make use of available opportunities and emerge as fully integrated flexible packaging company. Around 50% of the world's production of BOPP is consumed in food packaging. In India, the consumption of BOPP in food packaging is only one third of its production. This gap is rapidly being bridged as the customers are increasingly displaying a strong preference for hygienically packed foods products.

In addition to the above, the application of the BOPP Films in other Non-food packaging is also gaining strength which will further boost the demand for BOPP Films. Numerous grades of BOPP films are under development for various applications in different parts of the world which should give good volumes to the Industry. Thus, it is evident that BOPP films are going to be one of the high-growth segments in the global plastic films and sheet industry.

RISK AND CONCERNS

The major component of cost involved in the making of flexible packaging is raw material "Polypropylene". Any changes in the raw material prices and decrease in finished good product prices may affect the performance of the company. Though



the Company has endeavored to monitor and mitigate these risks.

The company's main source of income will be from selling of BOPP film, a substrate in packaging material in plain and metalized form to further converters. Any adverse impact on the operations of the packaging converters may impact the company's revenues and its profitability. The increase in demand for newer options in packaging is also affecting the growth of BOPP films industry.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company's Internal Control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with procedures, laws and regulations. It commensurate with the size and nature of business. In order to further strengthen the Internal Control system and to automate the various processes of the business, company is making use of Enterprises Resource Planning (ERP).

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed an Internal Auditor who is a qualified Chartered Accountant. The details relating to Internal Financial Control system have been given in Director's Report and forms part of this Annual Report.

FINANCIAL/OPERATIONAL PERFORMANCE

The outbreak of COVID19 has not significantly impacted the operations of the company.

(Rs. in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Profit Before Tax	4453.62	1292.27	4354.45	1193.10
Profit for the Year	3289.66	910.72	3727.58*	1222.78*
Add: Other comprehensive Income/(Loss)	(5041.23)	(465.85)	(10251.43)	(1008.35)
Total Comprehensive Income/(Loss) for the year	(1751.57)	444.87	(6523.85)	214.43

*Consolidated profit for the year includes Share of profit from Associates under equity method for the amount of Rs. 537.09 Lakhs in Current Year and Rs. 411.23 Lakhs in the Previous Year.

The Company is operating in single segment i.e. BOPP Films. The company has showed impressive financial performance over the period of one year. There is an increase of 261.22% in net profits of the company for the year ended 31st March, 2020 as compared to the net profits for the year ended 31st March, 2019. The detailed financial performance (Standalone as well as Consolidated) have been given in the Director's report and forms part of this Annual Report.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

Your company considers it's employee as its biggest asset. The human resources development function of the Company is guided by a strong set of values and policies. Your Company maintains a work environment that is free from any harassment. Company enjoys excellent relationship with its personnel and considers them as an essential part of the organization. Your company maintained healthy, cordial and harmonious industrial relations at all levels. In Financial Year 2019-20, industrial relations across the Company were cordial with not a day lost due to labor unrests or strikes during the year.

In this time of pandemic, the Company has taken various measures to take care of the livelihoods of workers, their safety and security. The steps include providing masks, hand sanitizers, disinfectants, conducting regular temperature checks and being very vigilant on workers and essential visitors at our operational facilities. The Company has also emphasised on providing medical facilities to workers inside the factory premises, and sanitization and fumigation in the whole factory. The total permanent employee's strength of the company was 184 as on 31st March, 2020.

RATIOS WHERE THERE HAS BEEN A SIGNIFICANT CHANGE FROM FY2019 TO FY2020

Ratio	31.03.2020	31.03.2019
Gross Profit Ratio	21.17	11.02
Net Profit Ratio	16.06	4.86
Interest Coverage Ratio	165.46	17.22
Current Ratio	5.52	4.30
Debt Equity Ratio	0.00	0.00
Return on Net Worth	25.25	6.61

Gross Profit ratio, Net Profit ratio and Return on Net Worth have been increased. The price of commodity in which the company is dealing is based on international crude prices. Since, the price of crude is volatile. It is normal for the company to have a variance in Gross profit or net profit margin as sometimes the effect of increase / reduction of prices of inputs are not fully transferred to the customers due to prevailing market conditions. The company has very less amount of loans. So, its impact on Debt Equity ratio is negligible. The Company has earned cash profit of Rs. 35.10 crores which is mainly used for reduction of short term liabilities & increase in current assets, which leads to an improvement in current ratio. The earnings of company utilized for reduction of working capital limits during the financial year 2019-20, therefore less interest charged by banks which leads to increase in interest coverage ratio.

CAUTIONARY STATEMENT

Statements in this report on Management discussion and analysis relating to the Company's objectives, opportunities, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results may however differ materially from those expressed or implied.

FOR AND ON BEHALF OF THE BOARD

JAWAHAR LAL OSWAL

(CHAIRMAN)

PLACE : LUDHIANA

DATED: 12TH AUGUST, 2020

DIN: 00463866

Green Initiative



Save Tree

Save Earth

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Your Company has decided to join the MCA in its environmental friendly initiative.

Henceforth, the Company proposes to send documents such as Notice of the General Meeting(s), Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at:- secnel@owmnahar.com or gredressalnpfl@owmnahar.com

We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NAHAR POLY FILMS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Nahar Poly Films Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 34 to the Standalone Ind AS Financial Statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's

Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IndAS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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



- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safe guards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and

- explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997

Dated:26.06.2020
Place : Ludhiana



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of NAHAR POLY FILMS LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **NAHAR POLY FILMS LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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.

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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, 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 YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997
Dated: 26.06.2020
Place : Ludhiana



ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **NAHAR POLY FILMS LIMITED** of even date)

i. In respect of the Company’s fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on the physical verification.
- iii. The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise

Duty and Value Added Tax and GST which have not been deposited as at March 31, 2020 on account of dispute are given below:

Nature of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which it relates	Amount (Unpaid) (in Lacs)
Vat Act	CST	Divisional Deputy Commissioner	A.Y. 2016-17	18.69

- viii. The Company has not defaulted in repayment of any loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997
Dated: 26.06.2020
Place : Ludhiana


Balance Sheet as at 31st March 2020

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	1	2,882.46	3,064.36
Capital work-in-progress		2,078.17	-
Financial assets			
Investments	2.1	6,508.30	12,498.16
Loans	2.2	202.14	198.58
Deferred tax assets (net)	3	108.14	271.21
		11,779.21	16,032.31
Current assets			
Inventories	4	1,933.56	1,710.26
Financial assets			
Trade receivables	5.1	930.57	2,123.43
Cash and Cash equivalents	5.2	35.37	100.37
Other bank balances	5.3	22.72	24.09
Loans	5.4	3.73	3.99
Other financial asset	5.5	3,517.15	225.64
Current tax assets (net)	6	115.20	102.26
Other current assets	7	675.58	279.39
		7,233.88	4,569.43
Total Assets		19,013.09	20,601.74
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	8.1	1,257.77	1,257.77
Other equity	8.2	16,380.86	18,280.64
		17,638.63	19,538.41
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	9	64.09	-
		64.09	-
Current liabilities			
Financial liabilities			
Borrowings	10.1	294.82	0.72
Trade and other payables	10.2		
- To Micro, Small and Medium Enterprises		89.24	37.99
- To Others		468.94	614.83
Other financial liabilities	10.3	105.48	102.72
Other current liabilities	11	309.16	297.54
Provisions	12	42.73	9.53
		1,310.37	1,063.33
Total Equity and liabilities		19,013.09	20,601.74

The accompanying notes are an integral part of these standalone financial statements

This is the Balance Sheet referred to in our report of even date

For YAPL & Company
Chartered Accountants
For Nahar Poly Films Limited
Sakshi Garg
 (Partner)
 M.No.553997
 Place : Ludhiana
 Date : 26.06.2020

Rakesh Jain
 (Chief Financial
 Officer)

Bhoomika
 (Company Secretary)

Dinesh Oswal
 (Director)
 (DIN - 00607290)

S.K Sharma
 (Executive Director)
 (DIN :00402712)



Statement of Profit and Loss for the year ended 31st March 2020

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Note No.	Current Year	Previous Year
INCOME			
Revenue from operations	13	27,724.88	26,572.77
Other Income	14	485.57	237.54
Total Income		28,210.45	26,810.31
EXPENSES			
Cost of materials consumed	15	19,081.42	20,915.72
Purchase Stock in trade		-	11.96
Change in inventories of finished goods, stock in trade and work-in-progress	16	(52.90)	14.02
Employee benefit expense	17	815.96	759.23
Finance costs	18	28.42	93.00
Depreciation and amortisation expense	1	220.28	216.51
Other expenses	19	3,663.65	3,507.60
Total Expenses		23,756.83	25,518.04
Profit/(loss) before Tax Expenses		4,453.62	1,292.27
Tax expense:	20		
- Current tax		(1,001.44)	(240.55)
- Deferred tax		(162.52)	(141.00)
Profit for the year		3,289.66	910.72
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/(losses) on defined benefit plans		(26.88)	(3.22)
-Income Tax relating to re-measurement gains/(losses) on defined benefit plans		6.89	1.07
-Equity investments through other comprehensive income		(5,025.53)	(464.95)
-Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
-Investments through other comprehensive income		4.86	1.42
-Income tax relating to items that will be reclassified to profit or loss		(0.57)	(0.17)
Other Comprehensive Income for the year		(5,041.23)	(465.85)
Total Comprehensive Income for the year		(1,751.57)	444.87
Earnings per equity share of ₹ 5 each			
Basic and Diluted		13.38	3.70

The accompanying notes are an integral part of these standalone financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For YAPL & Company
Chartered Accountants

For Nahar Poly Films Limited

Sakshi Garg
(Partner)
M.No.553997
Place : Ludhiana
Date : 26.06.2020

Rakesh Jain
(Chief Financial
Officer)

Bhoomika
(Company Secretary)

Dinesh Oswal
(Director)
(DIN - 00607290)

S.K Sharma
(Executive Director)
(DIN :00402712)



Cash flow statement for the year ended 31st March 2020

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Current Year	Previous Year
Cash flow from operating activities:		
Profit/(loss) before Tax Expenses	4,453.63	1,292.27
Add: Adjustment for Non-Cash & Non-operating items		-
Depreciation and amortisation expense	220.28	216.51
Finance Costs	28.42	93.00
Interest Income	(221.93)	(24.99)
Dividend Income	(168.20)	(133.69)
(Profit)/loss on sale of investments (net)	(33.62)	(9.53)
Fair valuation of Investments through Profit and gains	(59.92)	(28.50)
Employment expenses through OCI	(26.88)	(3.22)
Payment of CSR Fund	-	(38.12)
Provision for Employee Benefits	33.20	4.33
Operating profit before working capital changes (A)	4,224.98	1,368.06
Adjustments for movement in:		
Changes in Trade Receivables and other receivables	1,192.86	1,196.87
Changes in Inventories	(223.30)	(158.22)
Changes in Loans (long term)	(3.56)	12.54
Changes in Loans (Short term)	0.27	(0.86)
Changes in other current assets	(396.19)	127.88
Changes in other financial assets	8.48	453.04
Changes in Trade and other payables	(94.64)	114.77
Changes in other financial liabilities	2.75	4.50
Changes in other current liabilities	11.62	186.29
Changes in Current borrowings	294.10	(1,351.55)
Cash flow from operating activities before taxes	792.39	585.26
Direct taxes paid (net of refunds & demands)	(1,007.50)	(276.99)
Net cash flow from operating activities (B)	(215.11)	308.27
Cash flow from investing activities:		
Purchase of fixed assets (including capital advances and creditors for capital goods)	(2,116.55)	(84.78)
Purchase of Investments	(1,400.00)	(1,825.00)
Proceeds from sale of of Investments	2,462.71	1,234.53
Loan Given (ICD's)	(3,300.00)	0.00
Interest Income	221.93	24.99
Dividend Income	168.20	133.69
Net cash flow (used) in investing activities (C)	(3,963.71)	(516.57)
Cash flow from financing activities:		
Interest paid	(28.42)	(93.00)
Repayment of long term borrowings	-	(858.83)
Proceeds from long term borrowings	64.09	-
Dividend Paid	(122.94)	(122.94)
Corporate Dividend Tax Paid	(25.27)	(25.27)
Net cash flow (used) in financing activities (D)	(112.54)	(1,100.04)
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	(66.37)	59.72
Cash and cash equivalents at the beginning of the year	124.46	64.74
Closing cash and cash equivalents	58.09	124.46
Cash and cash equivalents include:		
Cash and Cash equivalents	35.37	100.37
Other bank balances	22.72	24.09
Cash and bank balances	58.09	124.46

Notes to Cash flow Statement

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (IndAS-7) on "Statements of Cash flows".
- Negative figures have been shown in brackets.
- "Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year."

The accompanying notes are an integral part of these standalone financial statements

This is the Cash Flow Statement referred to in our report of even date

For Nahar Poly Films Limited

For YAPL & Company
Chartered Accountants

Sakshi Garg
(Partner)
M.No.553997
Place : Ludhiana
Date : 26.06.2020

Rakesh Jain
(Chief Financial Officer)

Bhoomika
(Company Secretary)

Dinesh Oswal
(Director)
(DIN - 00607290)

S.K Sharma
(Executive Director)
(DIN :00402712)


Notes forming part of Standalone financial statements for the year ended 31st March 2020
Note-1 Property, plant and equipment

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
Gross Carrying Value							
Balance as at 01 April 2019	176.53	2,459.42	13,959.36	114.64	62.79	14.59	16,787.33
Additions	-	-	33.89	-	4.50	-	38.38
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	176.53	2,459.42	13,993.25	114.64	67.29	14.59	16,825.71
Accumulated Depreciation							
Balance as at 01 April 2019	-	783.36	12,854.24	28.00	45.81	11.56	13,722.97
Additions	-	71.68	131.50	12.58	3.47	1.04	220.28
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	855.04	12,985.74	40.58	49.28	12.60	13,943.25
CWIP as at 31 March 2020	-	-	-	-	-	-	2,078.17
CWIP as at 31 March 2019	-	-	-	-	-	-	-
Net carrying amount							
Balance as at 31 March 2020	176.53	1,604.38	1,007.51	74.06	18.00	1.99	4,960.63
Balance as at 31 March 2019	176.53	1,676.06	1,105.12	86.64	16.98	3.03	3,064.36

Note :
a) Finance leases

Company does not have any finance / operating lease.

b) Contractual obligations

There are no contractual commitments for the acquisition of property, plant and equipment.

Note:-2.1 Non-current Investments

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of units	Amount	No. of units	Amount
Investments in Associates				
At Cost				
Quoted				
Nahar Capital & Financial Services Limited (Equity Shares of ₹5 each fully paid-up)	6,611,632	3,673.16	6,611,632	3,673.16
Sub total (a)	6,611,632	3,673.16	6,611,632	3,673.16
Investments in Equity Instruments				
At fair value through other comprehensive income				
Quoted				
Nahar Industrial Enterprises Limited	-	-	2,708,800	1,152.59
Nahar Spinning Mills Limited	6,902,244	1,787.68	6,902,244	6,339.71
Sub total (b)	6,902,244	1,787.68	9,611,044	7,492.30
Investments in Debentures & Bonds				
At fair value through other comprehensive income to be reclassify at the time of sale				
Quoted				
IRFC Tax Free Bond	11,757	132.53	11,757	131.11
Nabard Tax Free Bonds	10,020	111.75	10,020	108.32
Sub total (c)	21,777	244.28	21,777	239.43
Investments in Mutual Funds				
At fair value through profit and loss				
Quoted				
Nippon India Banking & PSU Debt Fund (PY Reliance)	2,035,996	307.14	2,035,996	276.88
Sbi Liquid Fund-Direct Growth	-	-	8,549	250.35
Idfc Bond Fund Short Term Plan	380,915	165.17	380,915	150.63
Kotak Bond Short Term Plan	550,229	220.72	550,229	200.69
L & T Short Term Bond Fund	547,031	110.15	547,031	100.45
ICICI Prudential Balanced Advantage Fund	301,023	-	301,023	114.27
Sub total (d)	3,815,194	803.18	3,823,743	1,093.27
Grand Total (a+b+c+d)		6,508.30		12,498.16
Aggregate amount of quoted investments		6,508.30		12,498.16
Aggregate amount of impairment in value of investments		-		-



Particulars	As at 31 March 2020	As at 31 March 2019
Note:-2.2 Loans (Non-Current) (Unsecured considered good, unless otherwise stated)		
Security deposits (Unsecured, considered good)	202.14	198.58
	202.14	198.58
Note:-3 Deferred Tax Liability (Net)		
On account of Depreciation differences, Change in rate of tax & Ind As Adjustments	97.50	257.39
On Account of allowance u/s 43B	10.64	13.82
	108.14	271.21
Note:-4 Inventories (Valued at Cost or Net Realisable Value Whichever is Lower)		
Raw Materials	646.20	531.62
Work in Process	867.44	829.39
Finished Goods	26.89	10.77
Waste & Rejections	4.90	6.17
Stores & Spares	388.13	332.31
	1,933.56	1,710.26
Note:- 5.1 Trade receivables (Unsecured, considered good unless otherwise stated)		
Considered good	930.57	2,123.43
	930.57	2,123.43
Note:-5.2 Cash and bank balances		
Balance with banks	34.14	99.15
Cash in hand including stamps	1.23	1.22
	35.37	100.37
Note:-5.3 Other bank balances		
Unpaid Dividend Account	20.09	21.62
Deposits with original maturity more than three months but less than twelve months	2.63	2.47
	22.72	24.09
Notes:		
(i) Cash and cash equivalents include ₹ 20.09 lakhs (as at 31 March 2019 ₹ 21.62 lakhs) held in dividend accounts which is not available for use by the company.		
Note:- 5.4 Loans (Current) (Unsecured considered good, unless otherwise stated)		
Loan to Employees	3.73	3.99
	3.73	3.99
Note:- 5.5 Other financial assets		
Interest accrued but not due on fixed deposits	-	0.27
Sale Tax Incentive receivable	217.15	225.37
Intercorporate Deposits	3,300.00	-
	3,517.15	225.64
Note:- 6. Other Current assets		
Advance income tax (Net of Provisions)	94.94	100.17
TDS recoverable	20.26	2.09
	115.20	102.26
Note:- 7. Other Current assets		
Advances to suppliers	174.21	144.58
Prepaid expenses	65.89	35.31
Balances with statutory and government authorities	1.15	0.32
License in hands	25.39	11.58
Others recoverable	408.94	87.60
	675.58	279.39



Particulars	As at 31 March 2020	As at 31 March 2019
Note:-8.1 Equity Share Capital		
Authorised capital		
900 Lakh Equity Shares of ₹ 5- each (Previous Year Same)	4,500.00	4,500.00
	4,500.00	4,500.00
Issued, subscribed and Fully paid up.		
24,587,991 Equity Shares of ₹ 5- each (Previous Year Same)	1,229.40	1,229.40
Add:- Amount paid up on forfeited Shares	28.37	28.37
Total	1,257.77	1,257.77

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2020		31 March 2019	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	24,587,991	1229.40	24,587,991	1229.40
Issued during the year	-	-	-	-
Equity shares at the end of the year	24,587,991	1,229.40	24,587,991	1,229.40

b) Rights, Preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs.5 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% shares in the Company

	As on 31 March 2020		As on 31 March 2019	
	No of shares	% holding	No of shares	% holding
Nahar Capital & Financial Services Limited	12,087,671	49.16%	12,087,671	49.16%
Nahar Spinning Mills Limited	4,248,813	17.28%	1,253,603	5.10%

d) Shares Forfeited

3,49,336 Shares are forfeited in financial year 2006-07 upon non payment of calls (previous year same)

Note:- 8.2 Other Equity
(a) Securities premium account

Opening Balance as per last Balance Sheet	4,478.00	4,478.00
Add : Additions during the year	-	-
Balance as at the year end	4,478.00	4,478.00

(b) General Reserve

Opening Balance as per last Balance Sheet	10,160.18	10,160.18
Add : Additions during the year	-	-
Balance as at the year end	10,160.18	10,160.18

(c) Retained Earnings

Opening Balance as per last Balance Sheet	3,642.46	3,345.78
Profit for the year	3,289.66	910.72
Other Comprehensive Income for the year (net of tax)	(5,041.23)	(465.84)
Dividends	(122.94)	(122.94)
Dividend distribution tax	(25.27)	(25.27)
Balance as at the year end	1,742.68	3,642.46
Total Other Equity (a+b+c)	16,380.86	18,280.64

Nature and purpose of reserves
Securities premium account

Securities premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.



Retained Earnings

Retained earnings refer to net earnings not paid out as dividends, but retained by the company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.

Statement of Changes in Equity

PARTICULARS	As at 31 March 2019	Change During 2019-2020	As at 31 March 2020
Equity Share Capital	1,229.40	-	1,229.40
Securities premium account	4,478.00	-	4,478.00
General Reserve	10,160.18	-	10,160.18
Retained Earnings: -	3,642.46		
Profit for the year		3,289.66	
Other Comprehensive Income for the year (net of tax)		(5,041.23)	
Dividends		(122.94)	
Dividend distribution tax		(25.27)	1,742.68

Particulars	As at 31 March 2020	As at 31 March 2020
Note:- 9 Non-Current borrowings		
Secured		
Term Loan from Banks		
- Bank of Maharashtra	64.09	-
	64.09	-

Term loan repayable in 32 quarterly installments from quarter ending December 2021 is secured by way of first pari passu charge on entire fixed assets of the company (present and future) including equitable mortgage on factory land and building and is personally guaranteed by a director of the company.

Rate of Interest: -

31.03.2020	9.30%
31.03.2019	N.A.

Note:- 10.1 Current borrowings

Secured

Working Capital Loans repayable on demand from Banks	294.82	0.72
Others Unsecured	-	-
	294.82	0.72

Working capital facilities under consortium arrangement are secured by way of first pari passu charge on Current Assets, second pari passu charge on fixed assets including equitable mortgage of factory land and building of the company and is personally guaranteed by a director of the company.

Note:- 10.2 Trade and other payables

Trade Payables: -		
- To micro, small and medium enterprises (refer note 26)*	89.24	37.99
- To others	331.40	524.07
Other Payables	137.54	90.76
	558.18	652.82

* To the extent information provided/available with the company.

Note: 10.3 Other financial liabilities

Employee related payables	85.39	81.10
Unpaid Dividend (refer note (a) below)	20.09	21.62
	105.48	102.72

Note:

(a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act , 2013 as at the year end.



Particulars	As at 31 March 2020	As at 31 March 2019
Note:- 11 Other current liabilities		
Advances from customers	224.44	204.57
Security deposits	2.25	2.46
Dues to director	0.08	0.75
Statutory Dues	82.39	89.76
	309.16	297.54
Note:- 12. Provisions		
Provision for gratuity (refer note 24)	42.73	9.53
	42.73	9.53
Movement in provisions: Provision for gratuity		
Opening Balance	9.53	5.20
Add : Provision recognised during the year	42.73	9.53
Less : Provision utilised during the year	9.53	5.20
Closing Balance	42.73	9.53
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note:- 13 Revenue from operations		
Sale of products*		
Export	1,662.50	303.81
Domestic	25,938.33	26,185.30
	27,600.83	26,489.11
Other operating revenue		
Sale- scrap	73.69	72.04
Export incentives	46.17	9.39
Claims received	3.09	2.23
Others	1.10	-
	27,724.88	26,572.77
*Details of product Sold		
Export Sales		
Direct Export of BOPP Film	1,662.50	303.81
Domestic Sales		
BOPP Film	25,855.22	26,102.19
BOPP Other (Incl.Waste)	83.11	83.11
Other (Misc. Scrap)	73.69	72.04
	27,674.52	26,561.15
Note :- 14 Other Income		
Interest income	221.93	24.99
Dividend Income	168.20	133.69
Profit on sale of investments (net)	33.62	9.53
Exchange fluctuation gain (net)	-	1.43
Fair valuation of investments through profit and loss	59.92	28.50
Miscellaneous income	1.90	39.40
	485.57	237.54
Note:- 15 Cost of materials consumed		
Opening stock of raw materials	531.62	635.35
Add : Purchases of raw materials during the year	19,196.00	20,811.99
	19,727.62	21,447.34
Less : Closing stock of raw materials	646.20	531.62
	19,081.42	20,915.72
Purchase Trading Goods	-	11.96



Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note:- 16 Changes in inventories of finished goods, work-in-process and traded goods		
Opening stock		
-Finished Goods / Stock in Trade	16.94	15.35
-Work-in-Progress	829.39	845.00
	<u>846.33</u>	<u>860.35</u>
Closing Stock		
-Finished Goods / Stock in Trade	31.79	16.94
-Work-in-Progress	867.44	829.39
	<u>899.23</u>	<u>846.33</u>
	<u>(52.90)</u>	<u>14.02</u>
Note:- 17 Employee benefit expense		
Salary, Wages and other Allowances	694.54	641.85
Contribution to Provident and other funds	72.23	71.48
Staff Welfare Expenses	49.19	45.90
	<u>815.96</u>	<u>759.23</u>
Note:- 18 Finance cost		
Interest Expense		
- On working capital loans	15.15	52.55
- On term loans	-	28.01
- Others	1.71	9.86
Other Borrowings Cost	11.56	2.58
	<u>28.42</u>	<u>93.00</u>
Note:- 19 Other expenses		
Power & Fuel Consumed	1,718.27	1,656.16
Packing Expenses	588.04	465.90
Consumption of stores & spares	1.69	3.27
Rent	2.34	2.19
Repair and Maintenance		
-Building Repair	7.12	2.18
-Plant & machinery	206.10	289.14
-General Repair	18.16	16.40
Insurance	86.11	65.18
Legal & Professional expenses	20.34	20.51
Rates & Taxes	12.95	19.36
Travelling and Conveyance	29.69	19.49
Brokerage and Commission	30.75	52.05
Freight & Forwarding	781.86	786.93
Other manufacturing expenses	4.16	5.60
Payments to auditors	2.16	2.16
Communication Expenses	8.52	8.60
Corporate social responsibility expenses	18.48	21.75
Loss on MTM on Forward Contracts	23.91	-
Others	103.00	70.73
	<u>3,663.65</u>	<u>3,507.60</u>
Note:- 20 Tax Expense		
(1) Current Tax		
Provision for Taxation for the year	1,023.89	277.17
Income Tax Adjustment of earlier years	(22.45)	(36.62)
(2) Deferred Tax	162.52	141.00
	<u>1,163.96</u>	<u>381.55</u>



Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note:- 20.1 Income Tax Expenses		
Tax expense recognized in the Statement of Profit and Loss		
Current tax		
Current Tax on taxable income for the year	1,023.89	277.17
Total current tax expense	1,023.89	277.17
Deferred Tax		
Deferred tax charge/(credit)	162.52	141.00
Total Deferred Income tax expense/(benefits)	162.52	141.00
Income Tax for Current Period	1,186.41	418.17
Tax in respect of earlier years	(22.45)	(36.62)
Total income tax expense (Including deferred tax)	1,163.96	381.55
(A) Reconciliation of tax liability on book profit vis a vis actual tax liability		
Accounting profit before income tax	4,453.62	1,292.27
Statutory income tax rate	25.626%	34.944%
Current tax expenses on profit before tax at the statutory income tax rate in India	1,141.27	451.57
Tax on other permanent differences	44.90	(33.40)
Income taxed on different tax rate	0.24	-
Charge/(credit) in respect of earlier years	(22.45)	(36.62)
Unrecognised tax assets (net)	-	-
Income tax expense reported in the statement of profit and loss	1,163.96	381.55

(B) The movement in deferred tax assets and liabilities during the year

	Balance Sheet		Statement of profit and loss		Other Comprehensive Income	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Accelerated depreciation for tax purposes and other Ind AS adjustments	97.50	257.39	159.32	141.57	0.57	0.17
Expenditure incurred u/s 43B	10.64	13.82	3.19	(0.57)		
	108.14	271.21	162.52	141.00	0.57	0.17

Net Deferred tax assets/(liabilities)

Reflected in balance sheet as follows

Deferred tax assets

108.14 271.21

Deferred tax liabilities

- -

Deferred tax assets/(liabilities) (net)
108.14 271.21
Reconciliation of deferred tax assets/(liabilities), net

Opening Balance

271.21 412.38

Tax Income/(expense) during the year recognised in profit or loss

(162.52) (141.00)

Tax Income/(expense) during the year recognised in Other comprehensive income

(0.57) (0.17)

Closing Balance
108.14 271.21

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

The company has elected to exercise an option permitted under Section 115BAA of Income Tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has recognised provision current income tax and re-measured its deferred tax assets/liabilities based on the rates prescribed in the said section and the impact of tax expense of current year and re-measurement of deferred tax assets/liabilities is recognised in these financial statements.

(C.) Tax Assets and Liabilities.

	As at 31 March 2020	As at 31 March 2019
Income tax assets (net)	115.20	102.26
Income tax liabilities (net)	-	-



21.1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

i) **Company Overview**

Nahar Poly Films Limited ('the company') is into the business of manufacturing and selling of BOPP films. The company is a public limited company incorporated and domiciled in India and has registered office in Ludhiana, Punjab, India and the manufacturing facility is located Near Mandideep, Bhopal, MP, India. The company has its listing of equity shares on BSE Limited and National Stock Exchange of India Limited.

The financial statements are approved for issue by the company's Board of Directors on 26-Jun-2020

ii) **SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) **Basis of Presentation:**

i) **Compliance with IndAS**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies Indian Accounting Standard Rules, 2015 notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

The Financial statements of the company for the year ended 31 March 2020 have been approved by the Board of Directors at their meetings held on 26-Jun-2020

(ii) **Accounting Convention**

The accounts of the Company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans-assets measured at fair value.

(iii) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(iv) **Current/Non-current classification**

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

b) **Foreign currency translation**

Items included in the financial statements of each of the company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Foreign currency translations are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of profit and loss.

c) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and value added taxes.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specific of each arrangement.

Export Incentives- Export incentives are recognised on post export basis.

Revenue recognition- Revenue from sales are recognised when significant risk and rewards of ownership of the goods has been transferred to the buyer and entity does not have the effective control over the goods sold.

d) **Government Grants:**

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets and presented within other income.



e) Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

f) Trade Receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

g) Cash and cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other bank balances, and bank overdrafts.

h) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. However to determine the cost, the following methods are adopted:-

1. a) For Raw Material on moving weighted average method plus direct expenses.
b) For Stores and Spares on moving weighted average method plus direct expenses.
c) For Work-in-Process, cost of Raw Material plus appropriate share of manufacturing expenses / relevant Overheads / conversion cost depending upon the stage of completion.
2. For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
3. Further Wastage and Rejections are valued at net realizable value only.
4. Goods in Transit are valued at cost.

i) INVESTMENT AND OTHER FINANCIAL ASSETS

l) Classification

The company classifies its financial assets in the following measurement categories –

- Those to be measured subsequently at fair value (either through other comprehensive income or through Statement of profit and loss), and
- Those measured at amortised cost

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at the fair value through other comprehensive income.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. In the case of a financial asset at fair value through profit or loss, transaction costs of financial assets are expensed in the Statement of profit and loss.

The company subsequently measures all equity investments at fair value. Where the company's management has



lected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss.

iii) Impairment of financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use.

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) De-recognition of Financial Assets:

Financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

v) Income Recognition:

Interest income – Interest income from debt instruments is recognised using the effective interest rate method.

Dividend income – Dividends are recognised in profit or loss only when the right to receive payment is established.

Rental Income - Rental income is accounted for on accrual basis.

Scrap (i.e. empties, wastage etc. Other than production) is accounted for on sale basis.

j) Impairment of Non-Financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash-generating units). Non-Financial assets suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

k) Non- Current Assets Held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt.

Non-current assets are not depreciated or amortised while they are classified held for sale. Interest and other expenses attributable to the liabilities of disposal, company classified as held for sale, continue to be recognised.

l) Derivatives that are not designated as hedges

The company enters into certain derivatives/forward contracts to hedge foreign currency risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

m) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in the Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the assets.

n) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairment , if any.

Amortisation methods and periods

The company amortises the computer software with a finite useful life over the period of 5 years.



o) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured.

p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

q) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

r) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

s) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, if any, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities, if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

(iii) Post-employment obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iv) Defined contribution plans

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to the Statement of Profit and Loss.

t) Estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable.
- Designation of financial assets /liabilities through FVTPL.



- Estimation of defined benefit obligation.
- Recognition of deferred tax assets for carried forward tax losses.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on company and that are believed to be reasonable under the circumstances.

u) Ind As 116-Leases:

On 30 March 2019, MCA has notified Ind AS 116, Leases. Ind AS 116 sets out the principals for the recognition, measurement, presentation and disclosure of leases and requires leases to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for leases - leases of 'low-value' assets and short term leases (i.e., leases with lease term of 12 months or less). At commencement date of the lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-to-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expenses on the right-to-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-to-use asset. It has no impact on the company.

21.2. Significant accounting judgements, estimates & assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the postemployment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note:-24 .

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and



volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

Particulars	As at 31 March 2020	As at 31 March 2019
Note 22: - Contingent Liabilities not provided for, capital and other commitments:		
- Contingent Liabilities:		
Direct and Indirect Tax Authorities have raised demands of Rs.30.83 Lakhs (31 March 2019:Rs.Nil) out of Which a sum of Rs. 2.10 Lakhs (31 March 2019: Rs.Nil) has been deposited against said demand. Further these demands have been contested in appeal and no Provision has been made in the financial statement.		
- Capital and Other Commitments		
a) Capital Commitments		
- Letter of credits outstanding in favour of suppliers (net of advances)	10,661.89	-
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	6,205.01	-
b) Other Commitments		
- Bank Guarantee	-	-
- Letter of credits outstanding in favour of suppliers (net of advances)	21.62	106.59
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	22.14	2.25
	<u>16,910.66</u>	<u>108.84</u>

Note:- 23 Earnings per share (EPS) (Ind AS 33)

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Earnings Per Share has been computed as under:

Profit for the year attributable to the Equity holders of the Company	3,289.66	910.72
Weighted-average number of equity shares for basic EPS	245.88	245.88
Earnings Per Share (Rs.) - Basic (Face value of Rs. 5 per share)	13.38	3.70

(Diluted earning per share is same as basic earning per share.)

Proposed dividend on equity shares is subject to the approval of the shareholders of the Company at the Annual General Meeting and not recognised as liability as at the Balance Sheet date.

Note:-24 Post Retirement Benefits Plans (Ind AS 19)**Defined Benefit Plan**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity



payments.

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Changes in Defined Benefit Obligation		
Present value obligation as at the start of the year	132.67	114.72
Current service cost	15.48	15.03
Interest cost	9.72	8.50
Past Service Cost Plan Amendment	-	-
Actuarial loss/(Gains) - Experience Changes	26.17	(0.94)
Actuarial loss / (Gains) Financial Assumption	-	4.03
Benefits paid	(12.86)	(8.67)
Present value obligation as at the end of the year	171.18	132.67
(ii) Change in fair value of plan assets		
Fair value of plan assets as at the start of the year	123.14	109.52
Interest income on plan assets	9.35	8.63
Employer Contributions	9.53	13.79
Benefits paid	(12.86)	(8.67)
Return on plan assets greater/(lesser) than discount Rates	(0.71)	(0.13)
Fair value of plan assets as at the end of the year	128.45	123.14
(iii) Breakup of Actuarial gain/loss:		
Actuarial (gain)/loss on arising from change in financial assumption	-	4.03
Actuarial (gain)/loss on arising from experience adjustment	26.17	(0.94)
Return on plan assets (greater)/less than discount rate	0.71	0.13
	26.88	3.22
(iv) Net Asset / (Liability) recognised in the Balance Sheet		
Present value obligation as at the end of the year	(171.18)	(132.67)
Fair value of plan assets as at the end of the year	128.45	123.14
Net Asset / (Liability) in the Balance Sheet	(42.73)	(9.53)
(v) Amount recognized in the statement of profit and loss		
Current service cost	15.48	15.03
Interest cost	9.72	8.50
Interest income on plan assets	(9.35)	(8.63)
(Income)/Expense recognised in the statement of profit and loss	15.85	14.90
(vi) Remeasurements recognised in the statement of Other Comprehensive Income (OCI)		
Changes in Financial Assumptions	-	4.03
Experience Adjustments	26.17	(0.94)
Return on plan assets (greater)/less than discount rate	0.71	0.13
Amount recognised in Other Comprehensive Income	(26.88)	(3.22)
(vii) Actuarial assumptions		
Discount Rate (p.a)	6.80%	7.70%
Salary Escalation Rate (p.a)	7.00%	7.00%
Employee Turnover rate	1% to 3%	1% to 3%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.


(viii) Sensitivity analysis for gratuity liability

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

Present value of obligation at the end of the year
Impact of the change in Discount rate (p.a)

Impact due to decrease of 0.50%	10.74	8.37
Impact due to increase of 0.50%	(9.64)	(7.57)

Impact of change in Salary Escalation rate (p.a)

Impact due to increase of 0.50%	10.51	8.18
Impact due to decrease of 0.50%	(9.51)	(7.44)

(viii) Expected future cash flows

The expected future cash flows in respect of gratuity were as follows:

Weighted average duration of defined plan obligation (based on discounted cash flows)

Gratuity	14 years	14 years
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The followings are the expected future benefit payments for the defined benefit plan :

March 31, 2020	-	6.93
March 31, 2021	16.21	3.49
March 31, 2022	4.35	4.61
March 31, 2023	22.93	22.82
March 31, 2024	12.08	12.38
March 31, 2025	14.63	-
March 31, 2025 to March 31, 2029	-	79.90
March 31, 2026 to March 31, 2030	89.92	-

Note-25 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Company required to spend a sum of ₹ 18.48 Lakhs (Previous Year ₹ 21.75 Lakhs) towards CSR activities. The details of amount actually spent by the Company are:

	31 March 2020	31 March 2019
(a) Gross amount required to be spent by the company as per section 135 of the Act.	18.48	21.75
(b) Amount spent during the year on:		
- paid in cash/ cash equivalents *	18.48	21.75
- yet to be paid	-	-
	<u>18.48</u>	<u>21.75</u>

The company has contributed CSR amount to Oswal Foundation, a special purpose vehicle considering new projects in the field of healthcare and education.

Note:-26 Dues to micro and small suppliers

Under the section 22 of Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no overdues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid and overdue	-	-
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at end of the year	-	-
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.	-	-



Particulars	As at 31 March 2020	As at 31 March 2019
Note:-27 Government Grants		
At the beginning of the year	225.37	674.54
Provided during the year	0.00	0
Received during the year	8.22	449.17
At the end of the year	217.15	225.37
Current	217.15	225.37
Non-Current	-	-

Government grants have been received from MP state as sales tax incentives. There are no unfulfilled conditions or contingencies attached to these grants.

Note:-28 Fair value measurements
(a) Financial Instruments by category

Particulars	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
-Equity Instruments*	-	1,787.68	-	-	7,492.30	-
-Debentures and Bonds	-	244.28	-	-	239.43	-
-Mutual funds	803.18	-	-	1,093.27	-	-
Security Deposits	-	-	202.14	-	-	198.58
Intercompany Loans	-	-	3,300.00	-	-	-
Trade receivables	-	-	930.57	-	-	2,123.43
Cash and cash equivalents	-	-	35.37	-	-	100.37
Other Bank Balances	-	-	22.72	-	-	24.09
Loan to employees	-	-	3.73	-	-	3.99
Other financial assets	-	-	217.15	-	-	225.64
Total	803.18	2,031.96	4,711.68	1,093.27	7,731.73	2,676.10
Financial Liabilities						
Non-current Borrowings	-	-	64.09	-	-	-
Current Borrowings	-	-	294.82	-	-	0.72
Trade payable	-	-	558.18	-	-	652.82
Other financial liabilities (Current)	-	-	105.48	-	-	102.72
Total	-	-	1,022.57	-	-	756.26

statements' and hence, not presented here.

(b) Fair value hierarchy

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.


Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	31 March 2020			31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments at FVTPL						
-Mutual funds	803.18	-	-	1,093.27	-	-
-Equity Instruments	-	-	-	-	-	-
Investments at FVOCI						
-Equity Instruments	1,787.68	-	-	7,492.30	-	-
-Debentures and Bonds	244.28	-	-	239.43	-	-
Total financial assets	2,835.14	-	-	8,825.00	-	-

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities, debentures and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Financial assets and liabilities measured at amortised cost

Particulars	31 March 2020			31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Security Deposits	-	-	202.14	-	-	198.58
Intercorporate Loans	-	-	3,300.00	-	-	-
Trade receivables	-	-	930.57	-	-	2,123.43
Cash and cash equivalents	-	-	35.37	-	-	100.37
Other Bank Balances	-	-	22.72	-	-	24.09
Loan to employees	-	-	3.73	-	-	3.99
Other financial assets	-	-	217.15	-	-	225.64
Total financial assets	-	-	4,711.68	-	-	2,676.10
Financial liabilities						
Non-current Borrowings	-	-	64.09	-	-	-
Current Borrowings	-	-	294.82	-	-	0.72
Trade payable	-	-	558.18	-	-	652.82
Other financial liabilities (Current)	-	-	105.48	-	-	102.72
Total financial liabilities	-	-	1,022.57	-	-	756.26

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.



(c) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March 2020		31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Non-current assets	202.14	202.14	198.58	198.58
Total financial assets	202.14	202.14	198.58	198.58
Financial liabilities				
Non-current liabilities	64.09	64.09	-	-
Total financial liabilities	64.09	64.09	-	-

d) Measurement of fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) The management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) The fair value of non-current borrowings and security deposits that approximate to their carrying amounts as it is based on discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

Note 29: Financial Risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & 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. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

a) Market risk- 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. The Company is carrying its borrowings primarily at variable rate.

	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	358.91	0.72
Fixed rate borrowings	-	-
Total Borrowings	358.91	0.72

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

50 bps decrease would increase the profit before tax by	1.79	0
50 bps increase would decrease the profit before tax by	(1.79)	-



b) Market risk- Foreign currency risks

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and the Company hence does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency	INR	Foreign Currency	INR
Trade receivables				
-USD	356739	269.12	48301	33.46
-GBP	-	-	-	-
Trade payables				
-USD	-	-	94943	65.78
-GBP	11000	10.28	-	-
Total Exposure (net)				
-USD - Receivable (Payable)	356739	269.12	-46643	-32
-GBP - Receivable (Payable)	-11000	-10.28	-	-

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign Currency Sensitivity

5% decrease in USD rate would Increase (decrease) the profit before tax by	-13.46	1.62
5% increase in USD rate would Increase (decrease) the profit before tax by	13.46	-1.62
5% decrease in GBP rate would Increase (decrease) the profit before tax by	0.51	0.00
5% increase in GBP rate would Increase (decrease) the profit before tax by	-0.51	0.00

c) Foreign Currency Exposure (Forward Booking)

The foreign currency exposure of the company as on reporting date is as under. The company does not use forward contracts for speculative purpose.

Forward Contract against exports

- USD	10 Lakhs	--
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d) Market risk- Price risks

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through other comprehensive income or at fair value through profit and loss. To manage its price risk arising from investments in equity instruments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Price sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

- Impact on total comprehensive income

500 bps in BSE Sensex 30 increase would Increase the profit before tax by	89.38	374.62
500 bps in BSE Sensex 30 decrease would decrease the profit before tax by	(89.38)	374.62

(B) 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's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.



(a)Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of 'financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on financial reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables, Investments and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Trade receivables and other financial assets	Life time expected credit loss fully provided for

Financial assets that expose the entity to credit risk –	As at 31 March 2020	As at 31 March 2019
Low credit risk on reporting date		
Trade receivables	930.57	2,123.43
Cash and cash equivalents	35.37	100.37
Other bank balances	22.72	24.09
Loans(current)	3.73	3.99
Loans(non-current)	202.14	198.58
Other financial asset (current)	3,517.15	225.64

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Credit risk related to trade receivables are mitigated by taking Credit insurance for domestic sales/letter of credit for export sales, which results in low credit risk. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due.

Gross carrying amount of trade receivables	As at 31 March 2020	As at 31 March 2019
Not due nor impaired	918.28	1940.91
0-90 days past due	12.29	142.70
90-180 days past due	0.00	2.36
180-365 days past due	0.00	2.49
More than one year	0.00	34.97
Total	930.57	2123.43

Loans and Other financial assets measured at amortised cost

Loans and other financial assets measured at amortized cost includes Security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(C) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from domestic banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.


(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	As at 31 March 2020	As at 31 March 2019
(i) Expiring within one year		
Secured		
-Working Capital	3905.18	4199.28
(ii) Expiring beyond one year		
Secured		
-Rupees term loan from banks	18935.91	-

The table below summaries the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
Year ended 31 March 2020					
Contractual maturities of borrowings	477.52	2,498.50	11,102.00	12,831.50	26,909.52
Contractual maturities of Trade payables and other payables	558.18	-	-	-	558.18
Contractual maturities of other financial liabilities	105.48	-	-	-	105.48
Total	1,141.18	2,498.50	11,102.00	12,831.50	27,573.18
Year ended 31 March 2019					
Contractual maturities of borrowings	202.10	-	-	-	202.10
Contractual maturities of Trade payables and other payables	652.82	-	-	-	652.82
Contractual maturities of other financial liabilities	102.72	-	-	-	102.72
Total	957.64	-	-	-	957.64

Note:- 30 Dividend distribution made

	As at 31 March 2020	As at 31 March 2019
Rs. 0.50 per share (Previous Year same)	122.94	122.94
Dividend distribution tax on dividend	25.27	25.27
	148.21	148.21

Note:- 31 Reconciliation of changes in financial liabilities

Reconciliation of Changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes as per the requirement of IND AS-7 'Statement of Cash Flows'

Particulars	Current Year		Previous Year	
	Borrowings (Non-current) (including current maturities)	Borrowings (Current)	Borrowings (Non-current) (including current maturities)	Borrowings (Current)
A. Borrowings from Banks				
Balance at the begning of the period	-	0.72	858.83	1,352.27
Add:/Less Changes during the period				
(a) Changes from financing cash flows	64.09	294.10	(858.83)	(1,351.55)
(b) Changes arising from obtaining or losing control of subsidiaries or other business				
(c) the effect of changes in foreign exchange rates				
(d) changes in fair values				
(e) other Changes				
Balance at the end of the period	64.09	294.82	-	0.72

**B. Deposits from body corporates**

Balance at the beginning of the period	-	-	-	-
Add/Less Changes during the period				
(a) Changes from financing cash flows (Net)	-	-	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-
(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	-	-	-	-

Note:- 32 Capital Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide a an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents and other bank balances.

	As at 31 March 2020	As at 31 March 2019
Borrowings	358.91	0.72
Trade payables	558.18	652.82
Less: Cash and cash equivalents	(35.37)	(100.37)
Less: Other bank balances	(22.72)	(24.09)
Net debt	859.00	529.08
Equity	17,638.63	19,538.41
Capital and net debt	18,497.63	20,067.49
Gearing ratio	4.64%	2.64%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

Note:- 33 Related party disclosure as per Ind AS 24

Disclosure of related parties and relationship between the parties

Nature of relationship

- (i) Associates-M/s Nahar Capital & Financial Services Limited
- (ii) Key Management Personnel
Mr. S. K. Sharma (Executive Director), Rakesh Jain (Chief Financial Officer) and Bhoomika (Company Secretary)
- (iii) Promoter Directors
Mr. Jawahar Lal Oswal (Chairman), Mr. Kamal Oswal (Director) and Mr. Dinesh Oswal (Director).
- (iv) Other Group companies over which key Management Personnel and their relatives are able to exercise significant Influence

Nahar Spinning Mills Ltd., Nahar Industrial Enterprises Ltd., Oswal Woollen Mills Ltd., Atam Vallabh Financers Ltd., Vardhman Investments Ltd., J.L.Growth Fund Ltd.

*Other related parties includes the Companies in which the Key Management Personnel or their relatives have significant influence with whom the transactions have been made during the year and previous year.



Detail of related party transactions

Sr. No.	PARTICULARS	Associates		Enterprises over which KMP is able to exercise significant influence		Key Management personnels & their relatives	
		Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
1	Intercorporate Deposits Given	-	-	3,300.00	-	-	-
2	Intercorporate Deposits Received Back	-	-	-	-	-	-
3	Intercorporate Deposits received	-	785.00	-	-	-	-
4	Intercorporate Deposits Repaid	-	785.00	-	-	-	-
5	Interest Received	-	-	188.67	-	-	-
6	Interest Paid	-	7.13	-	-	-	-
7	Director's Sitting Fees	-	-	-	-	1.80	1.20
8	Director's Remuneration	-	-	-	-	28.01	26.19
9	Rent Paid	-	-	2.34	2.19	-	-
10	License Purchased	-	-	95.36	77.08	-	-
11	Reimbursements Received	-	-	0.02	1.36	-	-
12	Reimbursements Paid	-	-	0.82	0.80	-	-
13	Sales	-	-	8.68	6.29	-	-
14	Purchase of Goods/Services	-	-	5.65	7.97	-	-
15	Sale of Investments	-	-	679.10	-	-	-
16	Balance as on 31.03.2020						
	- Crs./Payable	-	-	5.75	5.32	-	-
	- ICD's	-	-	3,300.00	-	-	-
	- Due to directors	-	-	-	-	0.08	0.75

Note: Salary paid to Chief Financial Officer and Company Secretary is shown in the Director's Report and is not included in the above list of transaction

Note:-34 Covid 19 Impact

The outbreak of Corona virus disease (COVID-19), a Global Pandemic has significantly impacted the Social and Economic activity. The Indian government declared a complete lockdown from 24th March, 2020 to 17th May, 2020 to combat the spread and transmission of virus and in compliance with the lockdown instructions issued by the Centre and State governments, the company temporarily suspended operations. However, being goods of essential sector and is being allowed, the company resumed its operations in the lockdown. The company has considered the possible effects that may result from the COVID-19 pandemic on the company's operations, capital and financial resources, profitability, liquidity, ability to service debt and other financial arrangements, assets, internal financial reporting and controls, supply chain and demand for its products etc. The COVID-19 has not impacted the normal business operations. The carrying amount of 'Assets' will be recovered and sufficient liquidity would be available. Further, The company will continue to monitor current and future conditions and impact thereof on Company's operation.



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NAHAR POLY FILMS LIMITED

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Nahar Poly Films Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis Of Matter

We draw attention to Note 34 to the standalone Ind AS Financial Statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key audit matters to be communicated in our report.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not

include the consolidated Ind AS financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the



- consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- Report on Other Legal and Regulatory Requirements**
1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 consolidated Ind AS financial statements.
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997

Dated: 26.6.2020
Place : Ludhiana



Annexure - A 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 Nahar Poly Films Ltd ("the Company") as of 31 March 2020 in conjunction with our audit of the consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its associate company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

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 Ind AS 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 Ind AS 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 Ind AS 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 Holding Company and its associate company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 ICAI.

For YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997

Dated: 26.6.2020

Place : Ludhiana



Consolidated Cash flow statement for the year ended 31st March 2020

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Current Year	Previous Year
Cash flow from operating activities:		
Profit/(loss) before Tax Expenses	4,891.55	1,604.33
Add: Adjustment for Non-Cash & Non-operating items		-
Depreciation and amortisation expense	220.28	216.51
Income from associates	(437.92)	(312.06)
Finance Costs	28.42	93.00
Interest Income	(221.93)	(24.99)
Dividend Income	(168.20)	(133.69)
(Profit)/loss on sale of investments (net)	(33.62)	(9.53)
Fair valuation of Investments through Profit and gains	(59.92)	(28.50)
Employment expenses through OCI	(26.88)	(3.22)
Payment of CSR Fund	-	(38.12)
Provision for Employee Benefits	33.20	4.33
Operating profit before working capital changes (A)	4,324.15	1,467.23
Adjustments for movement in:		
Changes in Trade Receivables and other receivables	1,192.86	1,196.87
Changes in Inventories	(223.30)	(158.22)
Changes in Loans (long term)	(3.56)	12.54
Changes in Loans (Short term)	0.27	(0.86)
Changes in other current assets	(396.19)	127.88
Changes in other financial assets	8.48	453.04
Changes in Trade and other payables	(94.64)	114.77
Changes in other financial liabilities	2.75	4.50
Changes in other current liabilities	11.62	186.29
Changes in Current borrowings	294.10	(1,351.55)
Cash flow from operating activities before taxes	792.39	585.26
Direct taxes paid (net of refunds & demands)	(1,007.50)	(276.99)
Net cash flow from operating activities (B)	(215.11)	308.27
Cash flow from investing activities:		
Purchase of fixed assets (including capital advances and creditors for capital goods)	(2,116.55)	(84.78)
Purchase of Investments	(1,400.00)	(1,825.00)
Proceeds from sale of Investments	2,462.71	1,234.53
Loan Given (ICD's)	(3,300.00)	0.00
Interest Income	221.93	24.99
Dividend Income	168.20	133.69
Net cash flow (used) in investing activities (C)	(4,062.87)	(615.74)
Cash flow from financing activities:		
Interest paid	(28.42)	(93.00)
Repayment of long term borrowings	-	(858.83)
Proceeds from long term borrowings	64.09	-
Dividend Paid	(122.94)	(122.94)
Corporate Dividend Tax Paid	(25.27)	(25.27)
Net cash flow (used) in financing activities (D)	(112.54)	(1,100.04)
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	(66.37)	59.72
Cash and cash equivalents at the beginning of the year	124.46	64.74
Closing cash and cash equivalents	58.09	124.46
Cash and cash equivalents include:		
Cash and Cash equivalents	35.37	100.37
Other bank balances	22.72	24.09
Cash and bank balances	58.09	124.46

Notes to Cash flow Statement

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash flows".
- Negative figures have been shown in brackets.
- "Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year."

The accompanying notes are an integral part of these consolidated financial statements

This is the Cash Flow Statement referred to in our report of even date

For Nahar Poly Films Limited

For YAPL & Company
Chartered Accountants

Sakshi Garg
(Partner)
M.No.553997
Place : Ludhiana
Date : 26.06.2020

Rakesh Jain
(Chief Financial Officer)

Bhoomika
(Company Secretary)

Dinesh Oswal
(Director)
(DIN - 00607290)

S.K Sharma
(Executive Director)
(DIN :00402712)


Consolidated Balance Sheet as at 31st March 2020

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	1	2,882.46	3,064.36
Capital work-in-progress		2,078.17	-
Financial assets			
Investments	2.1	27,921.01	38,683.15
Loans	2.2	202.14	198.58
Deferred tax assets (net)	3	108.14	271.21
		33,191.92	42,217.30
Current assets			
Inventories	4	1,933.56	1,710.26
Financial assets			
Trade receivables	5.1	930.57	2,123.43
Cash and Cash equivalents	5.2	35.37	100.37
Other bank balances	5.3	22.72	24.09
Loans	5.4	3.73	3.99
Other financial asset	5.5	3,517.15	225.64
Current tax assets (net)	6	115.20	102.26
Other current assets	7	675.58	279.39
		7,233.88	4,569.43
Total Assets		40,425.80	46,786.73
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	8.1	1,257.77	1,257.77
Other equity	8.2	37,793.57	44,465.63
		39,051.34	45,723.40
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	9	64.09	-
		64.09	-
Current liabilities			
Financial liabilities			
Borrowings	10.1	294.82	0.72
Trade and other payables	10.2		
- To Micro, Small and Medium Enterprises		89.24	37.99
- To Others		468.94	614.83
Other financial liabilities	10.3	105.48	102.72
Other current liabilities	11	309.16	297.54
Provisions	12	42.73	9.53
		1,310.37	1,063.33
Total Equity and liabilities		40,425.80	46,786.73

The accompanying notes are an integral part of these consolidated financial statements

This is the Balance Sheet referred to in our report of even date

For YAPL & Company
Chartered Accountants
For Nahar Poly Films Limited
Sakshi Garg
 (Partner)
 M.No.553997
 Place : Ludhiana
 Date : 26.06.2020

Rakesh Jain
 (Chief Financial
 Officer)

Bhoomika
 (Company Secretary)

Dinesh Oswal
 (Director)
 (DIN - 00607290)

S.K Sharma
 (Executive Director)
 (DIN :00402712)

**Consolidated Statement of Profit and Loss for the year ended 31st March 2020**

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Note No.	Current Year	Previous Year
INCOME			
Revenue from operations	13	27,724.88	26,572.77
Other Income	14	386.41	138.37
Total Income		28,111.29	26,711.14
EXPENSES			
Cost of materials consumed	15	19,081.42	20,915.72
Purchase Stock in trade		-	11.96
Change in inventories of finished goods, stock in trade and work-in-progress	16	(52.90)	14.02
Employee benefit expense	17	815.96	759.23
Finance costs	18	28.42	93.00
Depreciation and amortisation expense	1	220.28	216.51
Other expenses	19	3,663.65	3,507.60
Total Expenses		23,756.83	25,518.04
Profit/(loss) before Tax Expenses		4,354.46	1,193.10
Tax expense:	20		
- Current tax		(1,001.44)	(240.55)
- Deferred tax		(162.52)	(141.00)
Profit for the year		3,190.50	811.55
Share of Profit from associate under equity method		537.09	411.24
Profit for the year after share of profit from associate		3727.59	1,222.79
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/(losses) on defined benefit plans		(26.88)	(3.22)
-Income Tax relating to re-measurement gains/(losses) on defined benefit plans		6.89	1.07
-Equity investments through other comprehensive income		(5,025.53)	(464.95)
-Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
-Investments through other comprehensive income		4.86	1.42
-Income tax relating to items that will be reclassified to profit or loss		(0.57)	(0.17)
Share of other comprehensive income from associate under equity method		(5,210.20)	(542.51)
Other Comprehensive Income for the year		(10,251.43)	(1,008.36)
Total Comprehensive Income for the year		(6,523.84)	214.43
Earnings per equity share of ₹ 5 each			
Basic and Diluted		15.16	4.97

The accompanying notes are an integral part of these consolidated financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For YAPL & Company
Chartered Accountants**For Nahar Poly Films Limited****Sakshi Garg**
(Partner)
M.No.553997
Place : Ludhiana
Date : 26.06.2020**Rakesh Jain**
(Chief Financial
Officer)**Bhoomika**
(Company Secretary)**Dinesh Oswal**
(Director)
(DIN - 00607290)**S.K Sharma**
(Executive Director)
(DIN :00402712)


Notes forming part of consolidated financial statements for the year ended 31st March 2020
Note-1 Property, plant and equipment

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
Gross Carrying Value							
Balance as at 01 April 2019	176.53	2,459.42	13,959.36	114.64	62.79	14.59	16,787.33
Additions	-	-	33.89	-	4.50	-	38.38
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	176.53	2,459.42	13,993.25	114.64	67.29	14.59	16,825.71
Accumulated Depreciation							
Balance as at 01 April 2019	-	783.36	12,854.24	28.00	45.81	11.56	13,722.97
Additions	-	71.68	131.50	12.58	3.47	1.04	220.28
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	855.04	12,985.74	40.58	49.28	12.60	13,943.25
CWIP as at 31 March 2020	-	-	-	-	-	-	2,078.17
CWIP as at 31 March 2019	-	-	-	-	-	-	-
Net carrying amount							
Balance as at 31 March 2020	176.53	1,604.38	1,007.51	74.06	18.00	1.99	4,960.63
Balance as at 31 March 2019	176.53	1,676.06	1,105.12	86.64	16.98	3.03	3,064.36

Note :
a) Finance leases

Company does not have any finance / operating lease.

b) Contractual obligations

There are no contractual commitments for the acquisition of property, plant and equipment.

Note:-2.1 Non-current Investments

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of units	Amount	No. of units	Amount
Investments in Associates				
At Cost				
Quoted				
Nahar Capital & Financial Services Limited (Equity Shares of ₹5 each fully paid-up)	6,611,632	25,085.87	6,611,632	29,858.15
Sub total (a)	6,611,632	25,085.87	6,611,632	29,858.15
Investments in Equity Instruments				
At fair value through other comprehensive income				
Quoted				
Nahar Industrial Enterprises Limited	-	-	2,708,800	1,152.59
Nahar Spinning Mills Limited	6,902,244	1,787.68	6,902,244	6,339.71
Sub total (b)	6,902,244	1,787.68	9,611,044	7,492.30
Investments in Debentures & Bonds				
At fair value through other comprehensive income to be reclassify at the time of sale				
Quoted				
IRFC Tax Free Bond	11,757	132.53	11,757	131.11
Nabard Tax Free Bonds	10,020	111.75	10,020	108.32
Sub total (c)	21,777	244.28	21,777	239.43
Investments in Mutual Funds				
At fair value through profit and loss				
Quoted				
Nippon India Banking & PSU Debt Fund (PY Reliance)	2,035,996	307.14	2,035,996	276.88
Sbi Liquid Fund-Direct Growth	-	-	8,549	250.35
Idfc Bond Fund Short Term Plan	380,915	165.17	380,915	150.63
Kotak Bond Short Term Plan	550,229	220.72	550,229	200.69
L & T Short Term Bond Fund	547,031	110.15	547,031	100.45
ICICI Prudential Balanced Advantage Fund	301,023	-	301,023	114.27
Sub total (d)	3,815,194	803.18	3,823,743	1,093.27
Grand Total (a+b+c+d)		27,921.01		38,683.15
Aggregate amount of quoted investments		27,921.01		38,683.15
Aggregate amount of impairment in value of investments		-		-



Particulars	As at 31 March 2020	As at 31 March 2019
Note:-2.2 Loans (Non-Current) (Unsecured considered good, unless otherwise stated)		
Security deposits (Unsecured, considered good)	202.14	198.58
	202.14	198.58
Note:-3 Deferred Tax Liability (Net)		
On account of Depreciation differences, Change in rate of tax & Ind As Adjustments	97.50	257.39
On Account of allowance u/s 43B	10.64	13.82
	108.14	271.21
Note:-4 Inventories (Valued at Cost or Net Realisable Value Whichever is Lower)		
Raw Materials	646.20	531.62
Work in Process	867.44	829.39
Finished Goods	26.89	10.77
Waste & Rejections	4.90	6.17
Stores & Spares	388.13	332.31
	1,933.56	1,710.26
Note:- 5.1 Trade receivables (Unsecured, considered good unless otherwise stated)		
Considered good	930.57	2,123.43
	930.57	2,123.43
Note:-5.2 Cash and bank balances		
Balance with banks	34.14	99.15
Cash in hand including stamps	1.23	1.22
	35.37	100.37
Note:-5.3 Other bank balances		
Unpaid Dividend Account	20.09	21.62
Deposits with original maturity more than three months but less than twelve months	2.63	2.47
	22.72	24.09
Notes:		
(i) Cash and cash equivalents include ₹ 20.09 lakhs (as at 31 March 2019 ₹ 21.62 lakhs) held in dividend accounts which is not available for use by the company.		
Note:- 5.4 Loans (Current) (Unsecured considered good, unless otherwise stated)		
Loan to Employees	3.73	3.99
	3.73	3.99
Note:- 5.5 Other financial assets		
Interest accrued but not due on fixed deposits	-	0.27
Sale Tax Incentive receivable	217.15	225.37
Intercorporate Deposits	3,300.00	-
	3,517.15	225.64
Note:- 6. Other Current assets		
Advance income tax (Net of Provisions)	94.94	100.17
TDS recoverable	20.26	2.09
	115.20	102.26
Note:- 7. Other Current assets		
Advances to suppliers	174.21	144.58
Prepaid expenses	65.89	35.31
Balances with statutory and government authorities	1.15	0.32
License in hands	25.39	11.58
Others recoverable	408.94	87.60
	675.58	279.39



Particulars	As at 31 March 2020	As at 31 March 2019
Note:-8.1 Equity Share Capital		
Authorised capital		
900 Lakh Equity Shares of ₹ 5- each (Previous Year Same)	4,500.00	4,500.00
	4,500.00	4,500.00
Issued, subscribed and Fully paid up.		
24,587,991 Equity Shares of ₹ 5- each (Previous Year Same)	1,229.40	1,229.40
Add:- Amount paid up on forfeited Shares	28.37	28.37
Total	1,257.77	1,257.77

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2020		31 March 2019	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	24,587,991	1229.40	24,587,991	1229.40
Issued during the year	-	-	-	-
Equity shares at the end of the year	24,587,991	- 1,229.40	24,587,991	1,229.40

b) Rights, Preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of Rs.5 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% shares in the Company

	As on 31 March 2020		As on 31 March 2019	
	No of shares	% holding	No of shares	% holding
Nahar Capital & Financial Services Limited	12,087,671	49.16%	12,087,671	49.16%
Nahar Spinning Mills Limited	4,248,813	17.28%	1,253,603	5.10%

d) Shares Forfeited

3,49,336 Shares are forfeited in financial year 2006-07 upon non payment of calls (previous year same)

Note:- 8.2 Other Equity
(a) Securities premium account

Opening Balance as per last Balance Sheet	4,478.00	4,478.00
Add : Additions during the year	-	-
Balance as at the year end	4,478.00	4,478.00

(b) Capital Reserve on acquisition of share of associate

Opening Balance as per last Balance Sheet	10,078.26	10,078.26
Add : Additions during the year	-	-
Balance as at the year end	10,078.26	10,078.26

(c) General Reserve

Opening Balance as per last Balance Sheet	10,160.18	10,160.18
Add : Additions during the year	-	-
Balance as at the year end	10,160.18	10,160.18

(d) Retained Earnings

Opening Balance as per last Balance Sheet	19,749.19	19,682.97
Profit for the year	3,727.59	1,222.79
Other Comprehensive Income for the year (net of tax)	(10,251.43)	(1,008.36)
Dividends	(122.94)	(122.94)
Dividend distribution tax	(25.27)	(25.27)
Balance as at the year end	13,077.14	19,749.19
Total Other Equity (a+b+c+d)	37,793.57	44,465.62

Nature and purpose of reserves
Securities premium account

Securities premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.



Retained Earnings

Retained earnings refer to net earnings not paid out as dividends, but retained by the company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.

Statement of Changes in Equity

PARTICULARS	As at 31 March 2019	Change During 2019-2020	As at 31 March 2020
Equity Share Capital	1,229.40	-	1,229.40
Securities premium account	4,478.00	-	4,478.00
Capital Reserve on acquisition of share of associate	10,078.26	-	10,078.26
General Reserve	10,160.18	-	10,160.18
Retained Earnings: -	19,749.19		
Profit for the year		3,727.59	
Other Comprehensive Income for the year (net of tax)		(10,251.43)	
Dividends		(122.94)	
Dividend distribution tax		(25.27)	
			13077.14

Particulars	As at 31 March 2020	As at 31 March 2020
Note:- 9 Non-Current borrowings		
Secured		
Term Loan from Banks		
- Bank of Maharashtra	64.09	-
	<u>64.09</u>	<u>-</u>

Term loan repayable in 32 quarterly installments from quarter ending December 2021 is secured by way of first pari passu charge on entire fixed assets of the company (present and future) including equitable mortgage on factory land and building and is personally guaranteed by a director of the company.

Rate of Interest: -

31.03.2020	9.30%
31.03.2019	N.A.

Note:- 10.1 Current borrowings

Secured

Working Capital Loans repayable on demand from Banks	294.82	0.72
Others Unsecured	-	-
	<u>294.82</u>	<u>0.72</u>

Working capital facilities under consortium arrangement are secured by way of first pari passu charge on Current Assets, second pari passu charge on fixed assets including equitable mortgage of factory land and building of the company and is personally guaranteed by a director of the company.

Note:- 10.2 Trade and other payables

Trade Payables: -		
- To micro, small and medium enterprises (refer note 26)*	89.24	37.99
- To others	331.40	524.07
Other Payables	137.54	90.76
	<u>558.18</u>	<u>652.82</u>

* To the extent information provided/available with the company.

Note: 10.3 Other financial liabilities

Employee related payables	85.39	81.10
Unpaid Dividend (refer note (a) below)	20.09	21.62
	<u>105.48</u>	<u>102.72</u>

Note:

(a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act , 2013 as at the year end.



Particulars	As at 31 March 2020	As at 31 March 2019
Note:- 11 Other current liabilities		
Advances from customers	224.44	204.57
Security deposits	2.25	2.46
Dues to director	0.08	0.75
Statutory Dues	82.39	89.76
	309.16	297.54
Note:- 12. Provisions		
Provision for gratuity (refer note 24)	42.73	9.53
	42.73	9.53
Movement in provisions: Provision for gratuity		
Opening Balance	9.53	5.20
Add : Provision recognised during the year	42.73	9.53
Less : Provision utilised during the year	9.53	5.20
Closing Balance	42.73	9.53
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note:- 13 Revenue from operations		
Sale of products*		
Export	1,662.50	303.81
Domestic	25,938.33	26,185.30
	27,600.83	26,489.11
Other operating revenue		
Sale- scrap	73.69	72.04
Export incentives	46.17	9.39
Claims received	3.09	2.23
Others	1.10	-
	27,724.88	26,572.77
*Details of product Sold		
Export Sales		
Direct Export of BOPP Film	1,662.50	303.81
Domestic Sales		
BOPP Film	25,855.22	26,102.19
BOPP Other (Incl.Waste)	83.11	83.11
Other (Misc. Scrap)	73.69	72.04
	27,674.52	26,561.15
Note :- 14 Other Income		
Interest income	221.93	24.99
Dividend Income	69.04	34.51
Profit on sale of investments (net)	33.62	9.53
Exchange fluctuation gain (net)	-	1.43
Fair valuation of investments through profit and loss	59.92	28.50
Miscellaneous income	1.90	39.40
	386.41	138.37
Note:- 15 Cost of materials consumed		
Opening stock of raw materials	531.62	635.35
Add : Purchases of raw materials during the year	19,196.00	20,811.99
	19,727.62	21,447.34
Less : Closing stock of raw materials	646.20	531.62
	19,081.42	20,915.72
Purchase Trading Goods	-	11.96



Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note:- 16 Changes in inventories of finished goods, work-in-process and traded goods		
Opening stock		
-Finished Goods / Stock in Trade	16.94	15.35
-Work-in-Progress	829.39	845.00
	<u>846.33</u>	<u>860.35</u>
Closing Stock		
-Finished Goods / Stock in Trade	31.79	16.94
-Work-in-Progress	867.44	829.39
	<u>899.23</u>	<u>846.33</u>
	<u>(52.90)</u>	<u>14.02</u>
Note:- 17 Employee benefit expense		
Salary, Wages and other Allowances	694.54	641.85
Contribution to Provident and other funds	72.23	71.48
Staff Welfare Expenses	49.19	45.90
	<u>815.96</u>	<u>759.23</u>
Note:- 18 Finance cost		
Interest Expense		
- On working capital loans	15.15	52.55
- On term loans	-	28.01
- Others	1.71	9.86
Other Borrowings Cost	11.56	2.58
	<u>28.42</u>	<u>93.00</u>
Note:- 19 Other expenses		
Power & Fuel Consumed	1,718.27	1,656.16
Packing Expenses	588.04	465.90
Consumption of stores & spares	1.69	3.27
Rent	2.34	2.19
Repair and Maintenance		
-Building Repair	7.12	2.18
-Plant & machinery	206.10	289.14
-General Repair	18.16	16.40
Insurance	86.11	65.18
Legal & Professional expenses	20.34	20.51
Rates & Taxes	12.95	19.36
Travelling and Conveyance	29.69	19.49
Brokerage and Commission	30.75	52.05
Freight & Forwarding	781.86	786.93
Other manufacturing expenses	4.16	5.60
Payments to auditors	2.16	2.16
Communication Expenses	8.52	8.60
Corporate social responsibility expenses	18.48	21.75
Loss on MTM on Forward Contracts	23.91	-
Others	103.00	70.73
	<u>3,663.65</u>	<u>3,507.60</u>
Note:- 20 Tax Expense		
(1) Current Tax		
Provision for Taxation for the year	1,023.89	277.17
Income Tax Adjustment of earlier years	(22.45)	(36.62)
(2) Deferred Tax	162.52	141.00
	<u>1,163.96</u>	<u>381.55</u>



Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note:- 20.1 Income Tax Expenses		
Tax expense recognized in the Statement of Profit and Loss		
Current tax		
Current Tax on taxable income for the year	1,023.89	277.17
Total current tax expense	1,023.89	277.17
Deferred Tax		
Deferred tax charge/(credit)	162.52	141.00
Total Deferred Income tax expense/(benefits)	162.52	141.00
Income Tax for Current Period	1,186.41	418.17
Tax in respect of earlier years	(22.45)	(36.62)
Total income tax expense (Including deferred tax)	1,163.96	381.55
(A) Reconciliation of tax liability on book profit vis a vis actual tax liability		
Accounting profit before income tax	4,453.62	1,292.27
Statutory income tax rate	25.626%	34.944%
Current tax expenses on profit before tax at the statutory income tax rate in India	1,141.27	451.57
Tax on other permanent differences	44.90	(33.40)
Income taxed on different tax rate	0.24	-
Charge/(credit) in respect of earlier years	(22.45)	(36.62)
Unrecognised tax assets (net)	-	-
Income tax expense reported in the statement of profit and loss	1,163.96	381.55

(B) The movement in deferred tax assets and liabilities during the year

	Balance Sheet		Statement of profit and loss		Other Comprehensive Income	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Accelerated depreciation for tax purposes and other Ind AS adjustments	97.50	257.39	159.32	141.57	0.57	0.17
Expenditure incurred u/s 43B	10.64	13.82	3.19	(0.57)		
	108.14	271.21	162.52	141.00	0.57	0.17
Net Deferred tax assets/(liabilities)						
Reflected in balance sheet as follows						
Deferred tax assets			108.14	271.21		
Deferred tax liabilities			-	-		
Deferred tax assets/(liabilities) (net)			108.14	271.21		
Reconciliation of deferred tax assets/(liabilities), net						
Opening Balance			271.21	412.38		
Tax Income/(expense) during the year recognised in profit or loss			(162.52)	(141.00)		
Tax Income/(expense) during the year recognised in Other comprehensive income			(0.57)	(0.17)		
Closing Balance			108.14	271.21		

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

The company has elected to exercise an option permitted under Section 115BAA of Income Tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has recognised provision current income tax and re-measured its deferred tax assets/liabilities based on the rates prescribed in the said section and the impact of tax expense of current year and re-measurement of deferred tax assets/liabilities is recognised in these financial statements.

(C.) Tax Assets and Liabilities.

	As at 31 March 2020	As at 31 March 2019
Income tax assets (net)	115.20	102.26
Income tax liabilities (net)	-	-



21.1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

i) **Company Overview**

Nahar Poly Films Limited ('the company') is into the business of manufacturing and selling of BOPP films. The company is a public limited company incorporated and domiciled in India and has registered office in Ludhiana, Punjab, India and the manufacturing facility is located Near Mandideep, Bhopal, MP, India. The company has its listing of equity shares on BSE Limited and National Stock Exchange of India Limited.

The financial statements are approved for issue by the company's Board of Directors on 26-Jun-2020

ii) **SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) **Basis of Presentation:**

i) **Compliance with IndAS**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies Indian Accounting Standard Rules, 2015 notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

The Financial statements of the company for the year ended 31 March 2020 have been approved by the Board of Directors at their meetings held on 26-Jun-2020

(ii) **Accounting Convention**

The accounts of the Company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans-assets measured at fair value.

(iii) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(iv) **Current/Non-current classification**

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

b) **Foreign currency translation**

Items included in the financial statements of each of the company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Foreign currency translations are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of profit and loss.

c) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and value added taxes.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specific of each arrangement.

Export Incentives- Export incentives are recognised on post export basis.

Revenue recognition- Revenue from sales are recognised when significant risk and rewards of ownership of the goods has been transferred to the buyer and entity does not have the effective control over the goods sold.

d) **Government Grants:**

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets and presented within other income.



e) Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

f) Trade Receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

g) Cash and cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other bank balances, and bank overdrafts.

h) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. However to determine the cost, the following methods are adopted:-

1. a) For Raw Material on moving weighted average method plus direct expenses.
b) For Stores and Spares on moving weighted average method plus direct expenses.
c) For Work-in-Process, cost of Raw Material plus appropriate share of manufacturing expenses / relevant Overheads / conversion cost depending upon the stage of completion.
2. For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
3. Further Wastage and Rejections are valued at net realizable value only.
4. Goods in Transit are valued at cost.

i) INVESTMENT AND OTHER FINANCIAL ASSETS

l) Classification

The company classifies its financial assets in the following measurement categories –

- Those to be measured subsequently at fair value (either through other comprehensive income or through Statement of profit and loss), and
- Those measured at amortised cost

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at the fair value through other comprehensive income.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. In the case of a financial asset at fair value through profit or loss, transaction costs of financial assets are expensed in the Statement of profit and loss.

The company subsequently measures all equity investments at fair value. Where the company's management has



ected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss.

iii) Impairment of financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use.

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) De-recognition of Financial Assets:

Financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

v) Income Recognition:

Interest income – Interest income from debt instruments is recognised using the effective interest rate method.

Dividend income –Dividends are recognised in profit or loss only when the right to receive payment is established.

Rental Income - Rental income is accounted for on accrual basis.

Scrap (i.e. empties, wastage etc. Other than production) is accounted for on sale basis.

j) Impairment of Non-Financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash-generating units). Non-Financial assets suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

k) Non- Current Assets Held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt.

Non-current assets are not depreciated or amortised while they are classified held for sale. Interest and other expenses attributable to the liabilities of disposal, company classified as held for sale, continue to be recognised.

l) Derivatives that are not designated as hedges

The company enters into certain derivatives/forward contracts to hedge foreign currency risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

m) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in the Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the assets.

n) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairment ,if any.

Amortisation methods and periods

The company amortises the computer software with a finite useful life over the period of 5 years.



o) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured.

p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

q) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

r) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

s) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, if any, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities, if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

(iii) Post-employment obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iv) Defined contribution plans

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to the Statement of Profit and Loss.

t) Estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable.
- Designation of financial assets /liabilities through FVTPL.



- Estimation of defined benefit obligation.
- Recognition of deferred tax assets for carried forward tax losses.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on company and that are believed to be reasonable under the circumstances.

u) Ind As 116-Leases:

On 30 March 2019, MCA has notified Ind AS 116, Leases. Ind AS 116 sets out the principals for the recognition, measurement, presentation and disclosure of leases and requires leases to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for leases - leases of 'low-value' assets and short term leases (i.e., leases with lease term of 12 months or less). At commencement date of the lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-to-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expenses on the right-to-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-to-use asset. It has no impact on the company.

21.2. Significant accounting judgements, estimates & assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the postemployment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note:-24 .

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The Inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and



volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

Particulars	As at 31 March 2020	As at 31 March 2019
Note 22: - Contingent Liabilities not provided for, capital and other commitments:		
- Contingent Liabilities:		
Direct and Indirect Tax Authorities have raised demands of Rs.30.83 Lakhs (31 March 2019:Rs.Nil) out of Which a sum of Rs. 2.10 Lakhs (31 March 2019: Rs.Nil) has been deposited against said demand. Further these demands have been contested in appeal and no Provision has been made in the financial statement.		
- Capital and Other Commitments		
a) Capital Commitments		
- Letter of credits outstanding in favour of suppliers (net of advances)	10,661.89	-
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	6,205.01	-
b) Other Commitments		
- Bank Guarantee	-	-
- Letter of credits outstanding in favour of suppliers (net of advances)	21.62	106.59
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	22.14	2.25
	<u>16,910.66</u>	<u>108.84</u>

Note:- 23 Earnings per share (EPS) (Ind AS 33)

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Earnings Per Share has been computed as under:

Profit for the year attributable to the Equity holders of the Company	3,727.59	1,222.79
Weighted-average number of equity shares for basic EPS	245.88	245.88
Earnings Per Share (Rs.) - Basic (Face value of Rs. 5 per share)	15.16	4.97

(Diluted earning per share is same as basic earning per share.)

Proposed dividend on equity shares is subject to the approval of the shareholders of the Company at the Annual General Meeting and not recognised as liability as at the Balance Sheet date.

Note:-24 Post Retirement Benefits Plans (Ind AS 19)**Defined Benefit Plan**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity



payments.

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Changes in Defined Benefit Obligation		
Present value obligation as at the start of the year	132.67	114.72
Current service cost	15.48	15.03
Interest cost	9.72	8.50
Past Service Cost Plan Amendment	-	-
Actuarial loss/(Gains) - Experience Changes	26.17	(0.94)
Actuarial loss / (Gains) Financial Assumption	-	4.03
Benefits paid	(12.86)	(8.67)
Present value obligation as at the end of the year	171.18	132.67
(ii) Change in fair value of plan assets		
Fair value of plan assets as at the start of the year	123.14	109.52
Interest income on plan assets	9.35	8.63
Employer Contributions	9.53	13.79
Benefits paid	(12.86)	(8.67)
Return on plan assets greater/(lesser) than discount Rates	(0.71)	(0.13)
Fair value of plan assets as at the end of the year	128.45	123.14
(iii) Breakup of Actuarial gain/loss:		
Actuarial (gain)/loss on arising from change in financial assumption	-	4.03
Actuarial (gain)/loss on arising from experience adjustment	26.17	(0.94)
Return on plan assets (greater)/less than discount rate	0.71	0.13
	26.88	3.22
(iv) Net Asset / (Liability) recognised in the Balance Sheet		
Present value obligation as at the end of the year	(171.18)	(132.67)
Fair value of plan assets as at the end of the year	128.45	123.14
Net Asset / (Liability) in the Balance Sheet	(42.73)	(9.53)
(v) Amount recognized in the statement of profit and loss		
Current service cost	15.48	15.03
Interest cost	9.72	8.50
Interest income on plan assets	(9.35)	(8.63)
(Income)/Expense recognised in the statement of profit and loss	15.85	14.90
(vi) Remeasurements recognised in the statement of Other Comprehensive Income (OCI)		
Changes in Financial Assumptions	-	4.03
Experience Adjustments	26.17	(0.94)
Return on plan assets (greater)/less than discount rate	0.71	0.13
Amount recognised in Other Comprehensive Income	(26.88)	(3.22)
(vii) Actuarial assumptions		
Discount Rate (p.a)	6.80%	7.70%
Salary Escalation Rate (p.a)	7.00%	7.00%
Employee Turnover rate	1% to 3%	1% to 3%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.



(viii) Sensitivity analysis for gratuity liability

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

Present value of obligation at the end of the year

Impact of the change in Discount rate (p.a)

Impact due to decrease of 0.50%	10.74	8.37
Impact due to increase of 0.50%	(9.64)	(7.57)

Impact of change in Salary Escalation rate (p.a)

Impact due to increase of 0.50%	10.51	8.18
Impact due to decrease of 0.50%	(9.51)	(7.44)

(viii) Expected future cash flows

The expected future cash flows in respect of gratuity were as follows:

Weighted average duration of defined plan obligation (based on discounted cash flows)

Gratuity	14 years	14 years
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The followings are the expected future benefit payments for the defined benefit plan :

March 31, 2020	-	6.93
March 31, 2021	16.21	3.49
March 31, 2022	4.35	4.61
March 31, 2023	22.93	22.82
March 31, 2024	12.08	12.38
March 31, 2025	14.63	-
March 31, 2025 to March 31, 2029	-	79.90
March 31, 2026 to March 31, 2030	89.92	-

Note-25 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Company required to spend a sum of ₹ 18.48 Lakhs (Previous Year ₹ 21.75 Lakhs) towards CSR activities. The details of amount actually spent by the Company are:

	31 March 2020	31 March 2019
(a) Gross amount required to be spent by the company as per section 135 of the Act.	18.48	21.75
(b) Amount spent during the year on:		
- paid in cash/ cash equivalents *	18.48	21.75
- yet to be paid	-	-
	<u>18.48</u>	<u>21.75</u>

The company has contributed CSR amount to Oswal Foundation, a special purpose vehicle considering new projects in the field of healthcare and education.

Note:-26 Dues to micro and small suppliers

Under the section 22 of Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no overdues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid and overdue	-	-
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at end of the year	-	-
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.	-	-



Particulars	As at 31 March 2020	As at 31 March 2019
Note:-27 Government Grants		
At the beginning of the year	225.37	674.54
Provided during the year	0.00	0
Received during the year	8.22	449.17
At the end of the year	217.15	225.37
Current	217.15	225.37
Non-Current	-	-

Government grants have been received from MP state as sales tax incentives. There are no unfulfilled conditions or contingencies attached to these grants.

Note:-28 Fair value measurements
(a) Financial Instruments by category

Particulars	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
-Equity Instruments*	-	1,787.68	-	-	7,492.30	-
-Debentures and Bonds	-	244.28	-	-	239.43	-
-Mutual funds	803.18	-	-	1,093.27	-	-
Security Deposits	-	-	202.14	-	-	198.58
Intercompany Loans	-	-	3,300.00	-	-	-
Trade receivables	-	-	930.57	-	-	2,123.43
Cash and cash equivalents	-	-	35.37	-	-	100.37
Other Bank Balances	-	-	22.72	-	-	24.09
Loan to employees	-	-	3.73	-	-	3.99
Other financial assets	-	-	217.15	-	-	225.64
Total	803.18	2,031.96	4,711.68	1,093.27	7,731.73	2,676.10
Financial Liabilities						
Non-current Borrowings	-	-	64.09	-	-	-
Current Borrowings	-	-	294.82	-	-	0.72
Trade payable	-	-	558.18	-	-	652.82
Other financial liabilities (Current)	-	-	105.48	-	-	102.72
Total	-	-	1,022.57	-	-	756.26

* Investment in subsidiaries, joint ventures and associates are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

(b) Fair value hierarchy

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.


Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	31 March 2020			31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments at FVTPL						
-Mutual funds	803.18	-	-	1,093.27	-	-
-Equity Instruments	-	-	-	-	-	-
Investments at FVOCI						
-Equity Instruments	1,787.68	-	-	7,492.30	-	-
-Debentures and Bonds	244.28	-	-	239.43	-	-
Total financial assets	2,835.14	-	-	8,825.00	-	-

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities, debentures and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Financial assets and liabilities measured at amortised cost

Particulars	31 March 2020			31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Security Deposits	-	-	202.14	-	-	198.58
Intercorporate Loans	-	-	3,300.00	-	-	-
Trade receivables	-	-	930.57	-	-	2,123.43
Cash and cash equivalents	-	-	35.37	-	-	100.37
Other Bank Balances	-	-	22.72	-	-	24.09
Loan to employees	-	-	3.73	-	-	3.99
Other financial assets	-	-	217.15	-	-	225.64
Total financial assets	-	-	4,711.68	-	-	2,676.10
Financial liabilities						
Non-current Borrowings	-	-	64.09	-	-	-
Current Borrowings	-	-	294.82	-	-	0.72
Trade payable	-	-	558.18	-	-	652.82
Other financial liabilities (Current)	-	-	105.48	-	-	102.72
Total financial liabilities	-	-	1,022.57	-	-	756.26

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.



(c) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March 2020		31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Non-current assets	202.14	202.14	198.58	198.58
Total financial assets	202.14	202.14	198.58	198.58
Financial liabilities				
Non-current liabilities	64.09	64.09	-	-
Total financial liabilities	64.09	64.09	-	-

d) Measurement of fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) The management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) The fair value of non-current borrowings and security deposits that approximate to their carrying amounts as it is based on discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

Note 29: Financial Risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & 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. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

a) Market risk- 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. The Company is carrying its borrowings primarily at variable rate.

	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	358.91	0.72
Fixed rate borrowings	-	-
Total Borrowings	358.91	0.72

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

50 bps decrease would Increase the profit before tax by	1.79	0
50 bps increase would decrease the profit before tax by	(1.79)	-



b) Market risk- Foreign currency risks

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and the Company hence does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency	INR	Foreign Currency	INR
Trade receivables				
-USD	356739	269.12	48301	33.46
-GBP	-	-	-	-
Trade payables				
-USD	-	-	94943	65.78
-GBP	11000	10.28	-	-
Total Exposure (net)				
-USD - Receivable (Payable)	356739	269.12	-46643	-32
-GBP - Receivable (Payable)	-11000	-10.28	-	-

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign Currency Sensitivity

5% decrease in USD rate would Increase (decrease) the profit before tax by	-13.46	1.62
5% increase in USD rate would Increase (decrease) the profit before tax by	13.46	-1.62
5% decrease in GBP rate would Increase (decrease) the profit before tax by	0.51	0.00
5% increase in GBP rate would Increase (decrease) the profit before tax by	-0.51	0.00

c) Foreign Currency Exposure (Forward Booking)

The foreign currency exposure of the company as on reporting date is as under. The company does not use forward contracts for speculative purpose.

Forward Contract against exports

- USD	10 Lakhs	--
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d) Market risk- Price risks

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through other comprehensive income or at fair value through profit and loss. To manage its price risk arising from investments in equity instruments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Price sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

- Impact on total comprehensive income

500 bps in BSE Sensex 30 increase would Increase the profit before tax by	89.38	374.62
500 bps in BSE Sensex 30 decrease would decrease the profit before tax by	(89.38)	374.62

(B) 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's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.



(a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on financial reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables, Investments and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Trade receivables and other financial assets	Life time expected credit loss fully provided for

Financial assets that expose the entity to credit risk –	As at 31 March 2020	As at 31 March 2019
Low credit risk on reporting date		
Trade receivables	930.57	2,123.43
Cash and cash equivalents	35.37	100.37
Other bank balances	22.72	24.09
Loans(current)	3.73	3.99
Loans(non-current)	202.14	198.58
Other financial asset (current)	3,517.15	225.64

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Credit risk related to trade receivables are mitigated by taking Credit insurance for domestic sales/letter of credit for export sales, which results in low credit risk. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due.

Gross carrying amount of trade receivables	As at 31 March 2020	As at 31 March 2019
Not due nor impaired	918.28	1940.91
0-90 days past due	12.29	142.70
90-180 days past due	0.00	2.36
180-365 days past due	0.00	2.49
More than one year	0.00	34.97
Total	930.57	2123.43

Loans and Other financial assets measured at amortised cost

Loans and other financial assets measured at amortized cost includes Security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(C) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from domestic banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.


(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	As at 31 March 2020	As at 31 March 2019
(i) Expiring within one year		
Secured		
-Working Capital	3905.18	4199.28
(ii) Expiring beyond one year		
Secured		
-Rupees term loan from banks	18935.91	-

The table below summaries the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
Year ended 31 March 2020					
Contractual maturities of borrowings	477.52	2,498.50	11,102.00	12,831.50	26,909.52
Contractual maturities of Trade payables and other payables	558.18	-	-	-	558.18
Contractual maturities of other financial liabilities	105.48	-	-	-	105.48
Total	1,141.18	2,498.50	11,102.00	12,831.50	27,573.18
Year ended 31 March 2019					
Contractual maturities of borrowings	202.10	-	-	-	202.10
Contractual maturities of Trade payables and other payables	652.82	-	-	-	652.82
Contractual maturities of other financial liabilities	102.72	-	-	-	102.72
Total	957.64	-	-	-	957.64

Note:- 30 Dividend distribution made

	As at 31 March 2020	As at 31 March 2019
Rs. 0.50 per share (Previous Year same)	122.94	122.94
Dividend distribution tax on dividend	25.27	25.27
	148.21	148.21

Note:- 31 Reconciliation of changes in financial liabilities

Reconciliation of Changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes as per the requirement of IND AS-7 'Statement of Cash Flows'

Particulars	Current Year		Previous Year	
	Borrowings (Non-current) (including current maturities)	Borrowings (Current)	Borrowings (Non-current) (including current maturities)	Borrowings (Current)
A. Borrowings from Banks				
Balance at the begning of the period	-	0.72	858.83	1,352.27
Add:/Less Changes during the period				
(a) Changes from financing cash flows	64.09	294.10	(858.83)	(1,351.55)
(b) Changes arising from obtaining or losing control of subsidiaries or other business				
(c) the effect of changes in foreign exchange rates				
(d) changes in fair values				
(e) other Changes				
Balance at the end of the period	64.09	294.82	-	0.72

**B. Deposits from body corporates**

Balance at the beginning of the period	-	-	-	-
Add:/Less Changes during the period				
(a) Changes from financing cash flows (Net)	-	-	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-
(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	-	-	-	-

Note:- 32 Capital Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide a an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents and other bank balances.

	As at 31 March 2020	As at 31 March 2019
Borrowings	358.91	0.72
Trade payables	558.18	652.82
Less: Cash and cash equivalents	(35.37)	(100.37)
Less: Other bank balances	(22.72)	(24.09)
Net debt	859.00	529.08
Equity	17,638.63	19,538.41
Capital and net debt	18,497.63	20,067.49
Gearing ratio	4.64%	2.64%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

Note:- 33 Related party disclosure as per Ind AS 24

Disclosure of related parties and relationship between the parties

Nature of relationship

- (i) Associates-M/s Nahar Capital & Financial Services Limited
- (ii) Key Management Personnel
Mr. S. K. Sharma (Executive Director), Rakesh Jain (Chief Financial Officer) and Bhoomika (Company Secretary)
- (iii) Promoter Directors
Mr. Jawahar Lal Oswal (Chairman), Mr. Kamal Oswal (Director) and Mr. Dinesh Oswal (Director).
- (iv) Other Group companies over which key Management Personnel and their relatives are able to exercise significant Influence

Nahar Spinning Mills Ltd., Nahar Industrial Enterprises Ltd., Oswal Woollen Mills Ltd., Atam Vallabh Financers Ltd., Vardhman Investments Ltd., J.L.Growth Fund Ltd.

*Other related parties includes the Companies in which the Key Management Personnel or their relatives have significant influence with whom the transactions have been made during the year and previous year.


Detail of related party transactions

Sr. No.	PARTICULARS	Associates		Enterprises over which KMP is able to exercise significant influence		Key Management personnels & their relatives	
		Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
1	Intercorporate Deposits Given	-	-	3,300.00	-	-	-
2	Intercorporate Deposits Received Back	-	-	-	-	-	-
3	Intercorporate Deposits received	-	785.00	-	-	-	-
4	Intercorporate Deposits Repaid	-	785.00	-	-	-	-
5	Interest Received	-	-	188.67	-	-	-
6	Interest Paid	-	7.13	-	-	-	-
7	Director's Sitting Fees	-	-	-	-	1.80	1.20
8	Director's Remuneration	-	-	-	-	28.01	26.19
9	Rent Paid	-	-	2.34	2.19	-	-
10	License Purchased	-	-	95.36	77.08	-	-
11	Reimbursements Received	-	-	0.02	1.36	-	-
12	Reimbursements Paid	-	-	0.82	0.80	-	-
13	Sales	-	-	8.68	6.29	-	-
14	Purchase of Goods/Services	-	-	5.65	7.97	-	-
15	Sale of Investments	-	-	679.10	-	-	-
16	Balance as on 31.03.2020						
	- Crs./Payable	-	-	5.75	5.32	-	-
	- ICD's	-	-	3,300.00	-	-	-
	- Due to directors	-	-	-	-	0.08	0.75

Note: Salary paid to Chief Financial Officer and Company Secretary is shown in the Director's Report and is not included in the above list of transaction

Note:-34 Covid 19 Impact

The outbreak of Corona virus disease (COVID-19), a Global Pandemic has significantly impacted the Social and Economic activity. The Indian government declared a complete lockdown from 24th March, 2020 to 17th May, 2020 to combat the spread and transmission of virus and in compliance with the lockdown instructions issued by the Centre and State governments, the company temporarily suspended operations. However, being goods of essential sector and is being allowed, the company resumed its operations in the lockdown. The company has considered the possible effects that may result from the COVID-19 pandemic on the company's operations, capital and financial resources, profitability, liquidity, ability to service debt and other financial arrangements, assets, internal financial reporting and controls, supply chain and demand for its products etc. The COVID-19 has not impacted the normal business operations. The carrying amount of 'Assets' will be recovered and sufficient liquidity would be available. Further, The company will continue to monitor current and future conditions and impact thereof on Company's operation.

Note:-35 Details of Associates

Section 129(3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the Group and of all the associate companies in the same form and manner as that of its own. Indian Accounting Standard (Ind AS) 28 on Investments in Associates defines Associate Group as an entity over which the investor has significant influence. It mentions that if an entity holds, directly or indirectly through intermediaries, 20 percent or more of the voting power of the enterprise, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case.

(a) Material associate is accounted for using the equity method in these consolidated financial statements.

Name of Entity	% of Ownership interest	Relation ship	Accounting method	Proportion of Ownership Interest	
				Current Year	Previous Year
Nahar Capital & Financial Services Limited	39.48%	Associate	Equity Method	39.48%	39.48%
Total Equity Accounted Investment				25,085.87	29,858.15



Summarised Financial information for the associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statement of the relevant associates by using Equity method.

Particulars	Current Year	Previous Year
Financial Assets	55,744.93	68,983.69
Non Financial Assets	9,255.99	8,178.74
Total Assets	65,000.92	77,162.43
Financial Liabilities	1,321.77	1,373.91
Non-Financial Liabilities	140.06	161.88
Total Liabilities (a+b)	1,461.83	1,535.79
Net Assets	63,539.09	75,626.64
Proportion of Group ownership (%)	39.48%	39.48%
Proportion of Group ownership in Nahar Capital Financial Services Limited	25,085.87	29,858.15

Summarised statement of profit and loss

Particulars	Current Year	Previous Year
Gross Revenue	2,059.84	2,516.77
Earning before interest, depreciation/amortisation	1,731.12	1,578.52
Depreciation and amortisation	73.40	43.67
Interest Expense	51.56	40.78
Tax Expense	143.38	313.92
Profit and loss for the period	1,462.78	1,180.15
Other Comprehensive Income	(13,196.73)	(1,374.10)
Total Comprehensive Income	(11,733.95)	(193.95)
Less: CSR Exp. Paid	(50.78)	(86.02)
Less: Dividend Distribution Tax	(51.63)	(52.55)
	(11,836.36)	(332.52)
Proportion of ownership (%)	39.48%	39.48%
Proportion of Group ownership in Nahar Capital Financial Services Limited	(4,673.11)	(131.28)

Movement of Investment using equity Method
Nahar Capital & Financial Services Limited

Opening balance of interest in associates	29,858.15	30,088.60
Add:- Share of profit for the period	(4,673.11)	(131.28)
Less:-Dividend Received	(99.17)	-99.17
Net Income from Associates	(4,772.28)	(230.45)
Closing Balance of interest in associates	25,085.87	29,858.15

Additional Information as required Under Schedule III to companies Act, 2013 of entities Consolidated as Associates.

Name of the Entity	Share of Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent								
Nahar Poly films Limited								
Associates*								
Nahar Capital & Financial Services Limited								
- As on / For the Year Ending 31.03.2020	39.48%	25,085.87	39.48%	537.09	39.48%	-5210.20	39.48%	-4673.11
- As on / For the Year Ending 31.03.2019	39.48%	29,858.15	39.48%	411.23	39.48%	-542.51	39.48%	-131.28

* Accounted as per equity method. Amounts given here in respect of associates are the share of the group in the net assets of the respective associates and the share of the group in the profit or loss of the respective associates.

**Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1.	Sl. No.	N.A.
2.	Name of the subsidiary	N.A.
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
5.	Share capital	N.A.
6.	Reserves & surplus	N.A.
7.	Total assets	N.A.
8.	Total Liabilities	N.A.
9.	Investments	N.A.
10.	Turnover	N.A.
11.	Profit before taxation	N.A.
12.	Provision for taxation	N.A.
13.	Profit after taxation	N.A.
14.	Proposed Dividend	N.A.
15.	% of shareholding	N.A.

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : N.A.
- Names of subsidiaries which have been liquidated or sold during the year : N.A.

Part "B": Associates and Joint Ventures

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

	Name of Associates/Joint Ventures	Nahar Capital and Financial Services Limited
1.	Latest audited Balance Sheet Date	31.03.2020
2.	Shares of Associate/Joint Ventures held by the Company on the year end Number Amount of Investment in Associates/Joint Venture Extend of Holding %	66,11,632 3673 Lakhs 39.48%
3.	Description of how there is significant influence	More than 20% shares of Nahar Capital and Financial Services Limited held by the Company
4.	Reason why the associate/joint venture is not Consolidated	Not Applicable
5.	Networth attributable to Shareholding as per latest Audited Balance Sheet	25086 Lakhs
6.	Profit / Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	-11836 Lakhs - 4673 Lakhs - 7163 Lakhs

For YAPL & Company
Chartered Accountants

For Nahar Poly Films Limited

Sakshi Garg
(Partner)
M.No.553997
Place : Ludhiana
Date : 26.06.2020

Rakesh Jain
(Chief Financial Officer)

Bhoomika
(Company Secretary)

Dinesh Oswal
(Director)
(DIN - 00607290)

S.K Sharma
(Executive Director)
(DIN :00402712)



*Glimpse of CSR Project
under taken by
Oswal Foundation*



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