The Nahar Group

28th Annual REPORT 2015-16

Nahar POLY FILMS LIMITED

BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal
Chairman

Sh. Dinesh Oswal
Director

Sh. Kamal Oswal
Director

Sh. Dinesh Gogna
Director

Sh. Satish Kumar Sharma
Executive Director

Sh. Komal Jain
Independent Director

Dr. (Mrs.) H.K. Bal
Independent Director

Prof. Kanwar Sain Maini
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

Sh. Rakesh Kumar Jain
Chief Financial Officer

Mrs. Nidhi Khande
Company Secretary

REGISTERED OFFICE
376, Industrial Area-A,
Ludhiana-141 003, Punjab

BANKERS
Oriental Bank of Commerce
Bank of Maharashtra

AUDITORS
M/s. Gupta Vigg & Co.,
Chartered Accountants
101, Kismat Complex,
G.T. Road, Miller Ganj,
Ludhiana-141 003.

28th ANNUAL GENERAL MEETING

Day : Friday
Date : 30 September 2016
Time : 02.00 pm
Place : At the Premises of
Nahar Industrial Enterprises Limited
Focal Point, Ludhiana

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NOTICE

Notice is hereby given that the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the members of **NAHAR POLY FILMS LIMITED** will be held on **Friday, 30th Day of September, 2016 at 2:00 P.M.** at the premises of **M/s Nahar Industrial Enterprises Limited,** Focal point, Ludhiana to transact the following business:

ORDINARY BUSINESS:

ITEM NO: 1- ADOPTION OF STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS

(i) To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2016 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 March 31, 2016, together with the Report of the Auditors thereon.

ITEM NO: 2 - DECLARATION OF DIVIDEND

To declare dividend @10% i.e. Rs. 0.50 per Equity Share of Rs. 5 each for the year ended 31st March, 2016.

ITEM NO: 3 - APPOINTMENT OF MR. DINESH GOGNA AS A 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.

ITEM NO: 4 - APPOINTMENT OF MR. KOMAL JAIN AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mr. Komal Jain (DIN 00399948), who retires by rotation and being eligible offers himself for re-appointment.

ITEM NO: 5 - APPOINTMENT OF AUDITORS

To appoint Auditors and fix their remuneration and in this regard 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 139 and 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) theirof, for the time being in force), M/s. Gupta Vigg & Co., Chartered Accountants (Firm Registration No. 001393N), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

ITEM NO: 6 - 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 and 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 ending March 31, 2017, be paid a remuneration of Rs. 45,000 (Rupess Forty Five Thousand Only)".

"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 : 7- REAPPOINTMENT OF MR. SATISH KUMAR SHARMA, EXECUTIVE DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 196,197 and 203 read with Schedule V and

rules framed thereunder and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) consent and approval of the Company be and is hereby accorded for the re-appointment of Sh. Satish Kumar Sharma, Executive Director of the Company (DIN: 00402712), for a period of three years w.e.f. 1st August, 2017 to 31st July, 2020 on the remuneration and perquisites set out below:

A. SALARY: Rs. 1,18,500/- per month

B. MANAGEMENT ALLOWANCE: Rs. 26,500/- per month

C. Perquisites and other allowances:

I) HOUSING:

a) **House Rent Allowance:** will be paid @30% of the salary.

b) **Medical Reimbursement:** Expenses incurred for Sh. Satish Kumar Sharma and his family subject to ceiling of one month's salary in a year.

c) **Exgratia/bonus:** As per company's rule.

d) **Provident Fund:** Company's contribution to provident fund shall be in accordance with the rules specified by the company.

e) **Gratuity:** Gratuity paid shall not exceed half month's salary for each completed year of service.

f) **Leave with wages:** As per company's rule.

g) **Car and telephone:** Free use of Company's Car with Dirver for Official work and telephone at residence.

h) **Other perquisites:** As per company's rule if any.

"**RESOLVED FURTHER THAT** wherein any Financial Year, the Company has no profits or its profits are inadequate, the Company may pay Sh. Satish Kumar Sharma, remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limits as specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limit as may be prescribed by the Government from time to time as minimum remuneration."

"**RESOLVED FURTHER THAT** Board of Directors of the Company, 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 reenactment(s) thereof, for the time being in force) and do all such acts and take all such steps as may be necessary, proper or expedient to give effect to above resolution."

BY ORDER OF THE BOARD

NIDHI KHANDE

DATED:12th August,2016 **(Company Secretary)**

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

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.

   A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding

more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3 The Explanatory Statement pursuant to Section 102(1) of Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.

4 The Route Map to reach the venue of the Annual General Meeting including prominent land mark for easy location, is provided at the end of Annual Report.

5. The Register of Members and Share Transfer Register of the Company shall remain closed from 10th September, 2016 to 22nd September, 2016 (both days inclusive).

6. 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, whose names appear in Register of members as on 9th September, 2016 or Register of beneficial owners, maintained by the Depositories at the close of 9th September, 2016.

7. Pursuant to Section 205C of the Companies Act,1956 all unclaimed dividends up to the financial year 2007-08 have been transferred to Investor Education and Protection Fund. Further unpaid dividend for the year 2008-09 is to be transferred to Investor Education and Protection Fund in November, 2016. Shareholders who have not encashed their dividend warrants relating to the said period are requested to claim the amount from the Company at the earliest.

8. 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 noted 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.

9. The Bank Account particulars of the members will be printed on the dividend warrants. Members holding shares in physical form are requested to immediately notify change in their address/Bank details to the Company's Share Transfer Agent, M/s Alankit Assignments Limited or to the Company's Registered Office at 376, Industrial Area-A, Ludhiana -141 003.

   Members holding shares in electronic form are requested to notify change in their address/Bank details to their Depository Participants before 9th September, 2016.

10. Since the Company's shares are in compulsory demat trading, to ensure better service and elimination of risk of holding shares in physical form, we request shareholders holding shares in physical form to dematerialize their shares at the earliest.

11. With a view to using natural resources responsibly, we request shareholders to update their e-mail address with their Depository Participants to enable the Company to send communications electronically.

12. Electronic copy of the Annual Report for the year 2015-2016 is being sent to all the members whose email Ids are registered with the Company /Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.

13. Members are requested to bring their attendance

slip along with their copy of Annual Report to the Meeting.

14. The documents referred to in Explanatory Statement are open for inspection at the Registered Office of the Company on any working day (except Saturday and Holiday) between 10:00 A.M. To 12:00 Noon upto the date of Annual General Meeting.

15. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the relevant information ready.

16. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13)

17. The information required to be provided under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed is given hereunder and form part of the Notice. The Directors have furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and Rules thereunder.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, M/s. Alankit Assignments Limited, Unit: Nahar Poly Films Limited, Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110055.

19. The Register under Section 189 (4) of the Companies Act, 2013 shall be produced at the commencement of the meeting and shall remain open and accessible during the continuance of the meeting.

20. In compliance with Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is providing facility for voting by electronic means and the business contained in this Notice shall be transacted through such voting. For this purpose, the Company has engaged the services of M/s. Central Depositories Services (India) Ltd. (CDSL) for providing e- voting facility to enable the shareholders to cast their votes electronically.

21. Notice of the 28th Annual General Meeting and the Annual Report for the financial year 2015-16 will also be available on the Company's website i.e. www.owmnahar.com. The above said notice will also be available on the website of CDSL i.e. www.cdslindia.com.

22. The facility for voting via ballot or polling paper shall also be made available at the meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

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

1. The voting period begins on 27th September, 2016 (9:00 A.M.) and ends on 29th September, 2016 (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 Friday, 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The members who have cast their vote by remote e-voting prior to meeting may also attend the meeting but shall not be entitled to cast their vote again.
3. The shareholders should log on to the e-voting website www.evotingindia.com.
4. Click on Shareholders.
5. 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 Number registered with the Company.

6. Next enter the Image Verification as displayed and Click on Login.

7. 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.

8. If you are a first time user follow the steps given below:

	For members holding shares in Demat 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) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number in the PAN field. • In case the Sequence Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Sequence Number 1 then enter RA00000001 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. • 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 (5).

9. After entering these details appropriately, click on "SUBMIT" tab.

10. 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.

11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

12. Click on the EVSN for the relevant <NAHAR POLY FILMS LIMITED> on which you choose to vote.

13. 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.

14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

15. 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.

16. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

17. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

18. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system

19. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile

20. Note for Non-Individual Shareholders and Custodians

a) 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 as Corporates.

b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting @cdslindia.com.

c) 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.

d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cds lindia.com and on approval of the accounts they would be able to cast their vote.

e) 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.

21. In case you have any queries or issues regarding e-voting, 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.The helpdesk can also be contacted at 1800-200-5533.

22. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, 23rd September, 2016 may follow the same instructions as mentioned above for e-Voting.

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

Mrs. Nidhi Khande

Company Secretary and Compliance Officer

376, Industrial Area- A, Ludhiana- 141003

0161-2600701 to 2600705

secnel@owmnahar.com

Other instructions:

24. 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.

25. Mr. P.S. Bathla, Practising Company Secretary (Membership No. FCS 4391), will act as a Scrutinizer to the e-voting process in a fair and transparent manner(including the ballot forms received from members who do not have access to the e-voting process).

26. The Scrutinizer shall immediately after the conclusion of Annual General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in the favour or against, if any, forthwith to the Chairman of the Company.

27. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.owmnahar.com and on the website of CDSL www.cdslindia.com/_www. evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

28. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 28th Annual General Meeting i.e. 30th September, 2016.

29. A person who is not a Member as on the cut off date i.e. 23rd September, 2016 should treat this Notice for information purposes only.

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. 6 and Item No. 7 of the accompanying Notice:

ITEM NO. 6

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 30th May, 2016, on the recommendation of Audit

Committee, approved the appointment and remuneration of Rs.45,000 (Rupees Forty Five Thousand only) of M/s Khushwinder Kumar & Associates, Cost Accountants (Firm Registration No. 000102) for conducting the Cost Audit of the Cost records of the Company for the financial year ended 31st March, 2017.

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 consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out the Item No. 6 of the Notice for ratification of remuneration payable to M/s. Khushwinder Kumar & Associates, (Firm Registration No. 000102) for financial year ended 31st March, 2017.

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

The Board recommends the Resolution for your approval.

ITEM NO. 7

Sh. Satish Kumar Sharma was appointed as Executive Director of the company w.e.f. 1st August,2012 for five years. His tenure as Executive Director is expiring on 31st July, 2017. Sh. Satish Kumar Sharma is 63 years of age. He is MBA and has more than 34 years experience as Corporate Executive. Having regard to his knowledge and experience it would be in the interest of the company to reappoint him as Executive Director of the Company under the category of the Key Managerial Personnel.

The Board keeping in view the growth of the Company under his leadership and on the recommendation of Nomination and Remuneration Committee (subject to the approval of the shareholders) has decided to reappoint him as Executive Director for a period of 3 years commencing from 1st August, 2017. Sh. Satish Kumar Sharma is eligible for re-appoinment 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.

Listed Companies (other than Nahar Poly Films Limited) in which Sh. Satish Kumar Sharma holds Directorship of Board, Chairmanship and Membership of Board Committees :

Directorship of Board:

Sr.No.	NAME OF THE COMPANY	STATUS
1.	Nahar Spinning Mills Limited	DIRECTOR
2.	Nahar Capital and Financial Services Limited	DIRECTOR

Chairmanship of Board Committees: NIL

Member of Board Committees:

Sr.No.	NAME OF THE COMPANY	COMMITTEE	STATUS
1.	Nahar Spinning Mills Limited	Stakeholder's Relationship	Member
2.	Nahar Capital and Financial Services Limited	Audit Stakeholder's Relationship	Member Member

Shareholding in the Company: NIL

Disclosure of relationship between Directors interse:

Sh. Satish Kumar Sharma is not related to any Director of the Company. Further No Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution. The Resolution as given in the notice may also be treated as an abstract of terms of Contract of Appointment under the provisions 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 Sh. Satish Kumar Sharma, is available for inspection at the Registered Office of the Company.

Your Directors recommend the resolution for your approval.

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation , 2015 regarding Director seeking appointment/re-appointment.

As required under the SEBI (Listing Obligation and Disclosure Requirement) Regulation,2015 the particulars of Directors who are proposed to be

appointed/re-appointed are given below:

1. Dinesh Gogna

Name	**Sh. Dinesh Gogna**
Age	63 Years
Qualification	B.A, LL.B
Expertise	Having more than 39 years experience in Corporate Finance and Taxation.
Shareholding	700

Listed Companies (other than Nahar Poly Films Limited) in which Sh. Dinesh Gogna holds Directorship of Board, Chairmanship and Membership of Board Committees:

Directorship of Board

Sr.No.	NAME OF THE COMPANY	STATUS
1.	Nahar Spinning Mills Limited	DIRECTOR
2.	Nahar Capital and Financial Services Limited	DIRECTOR
3.	Nahar Industrial Enterprises Limited	DIRECTOR
4.	Monte Carlo Fashions Limited	DIRECTOR

Chairmanship of Board Committees:

Sr.No.	NAME OF THE COMPANY	COMMITTEE	STATUS
1.	Nahar Industrial Enterprises Limited	Stakeholder's Relationship	Chairman
2.	Monte Carlo Fashions Limited	Stakeholder's Relationship	Chairman

Member of Board Committees:

Sr.No.	NAME OF THE COMPANY	COMMITTEE	STATUS
1.	Nahar Spinning Mills Limited	Audit	Member
2.	Nahar Industrial Enterprises Limited	Audit	Member
3.	Monte Carlo Fashions Limited	Audit Nomination & Remuneration	Member Member

Shareholding in the Company: 700

Disclosure of relationship between Directors inter-se:NIL

2. Komal Jain

Name	**Sh. Komal Jain**
Age	61Years
Qualification	M.A
Expertise	Having Business Experience of more than 40 years in the industry.
Shareholding	175

Listed Companies (other than Nahar Poly Films Limited) in which Sh. Komal Jain holds Director ship of Board, Chairmanship and Membership of Board Committees:

Directorship: NIL

Chairmanship of Board Committees: NIL

Member of Board Committees: NIL

Shareholding in the Company: 175

Disclosure of relationship between Directors inter-se: NIL

BY ORDER OF THE BOARD

NIDHI KHANDE

DATED: 12th August, 2016 **(Company Secretary)**

Regd. Office

376, Industrial Area-A

Ludhiana - 141003

CIN: L17115PB1988PLC008820

E-mail: secnel@owmnahar.com

DIRECTORS REPORT

Dear Members,

Your directors have pleasure in presenting the **TWENTY EIGHTH ANNUAL REPORT** on the affairs of the Company for the financial year ended **31st March, 2016.**

FINANCIAL PERFORMANCE

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

(Rs. In Crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Profit for the year before Finance Cost & Depreciation	**47.54**	42.43	**50.88**	48.98
Less: Finance Cost	**(7.98)**	(13.12)	**(7.98)**	(13.12)
Depreciation	**(22.00)**	(21.72)	**(22.00)**	(21.72)
Profit before Tax	**17.56**	7.59	**20.90**	14.14
(i) Current Tax	**(3.47)**	(1.17)	**(3.47)**	(1.17)
(ii) Deferred Tax	**(2.44)**	(1.88)	**(2.44)**	(1.88)
Profit after Tax	**11.65**	4.54	**14.99**	11.09
Adjustment of Income Tax of Earlier years	**0.00**	-0.10	**0.00**	-0.10
Add: Balance of Surplus Brought Forward	**4.76**	0.32	**11.31**	8.00
Amount Available for Appropriation	**16.41**	4.76	**26.30**	18.99
APPROPIATION				
Proposed Dividend	**1.23**	-	**1.23**	-
Tax on Distributed Profit	**0.25**	-	**0.45**	0.17
Transfer to General Reserve	**14.92**	-	**21.27**	7.52
Balance Carried to Balance Sheet	**0.01**	4.76	**3.35**	11.30
	16.41	4.76	**26.30**	18.99

OPERATIONAL REVIEW

We would like to inform you that Company operates in a single segment i.e., "BOPP Films" as such disclosure requirements under Accounting Standard AS 17 issued by the Institute of Chartered Accountants of India, New Delhi are not applicable.

STANDALONE-REVENUE AND PROFITS

We would like to inform you that during the year under review on standalone basis,Company achived an operating revenue of Rs.293.59 crores as against Rs.334.49 crores in the previous year. However, the company has improved it's performance and earned a Profit before Finance Cost and Depreciation of Rs.47.54 crores as against Rs.42.43 crores showing an impressive increase of 12.04% over the previous year. After Providing Rs.7.98 crores towards finance cost and Rs. 22.00 crores towards depreciation,it earned a profit before tax of Rs.17.56 crores. After providing Income tax and Deferred tax of Rs.5.91 crores, the company earned a net profit of Rs.11.65 crores.

CONSOLIDATED-REVENUE AND PROFITS

Pursuant to the provisions of section 129(3) of the Companies Act 2013, Company has consolidated the financial results of its associate company namely Nahar Capital and Financial Services Ltd. On consolidated basis the company earned a profit before finance cost and depreciation of Rs 50.88 crores as against Rs. 48.98 crores earned in the previous year thereby showing an increase of 3.88% over the previous year. After providing Rs.7.98 crores towards finance cost and Rs. 22.00 crores towards depreciation, it earned a profit before tax of Rs.20.90 crores as against Rs.14.14 crores in the previous year. After providing Income tax and Deferred tax of Rs.5.91 crores, the company earned a net profit of Rs.14.99 crores.

TRANSFER TO RESERVE

After appropriation of profit as per detail herein above an amount of Rs.14.92 crores has been transferred to General Reserve thereby increasing company's Reserves to Rs.101.60 crores as on 31st March,2016.

DIVIDEND

Your Directors are pleased to recommend a dividend @ 10% i.e. (Rs. 0.50/- per Equity Share of Rs.5/- each) on the paid up equity share capital for the financial year ended 31st March, 2016. The total appropriation (excluding dividend distribution tax) for the current year is Rs. 1.23 crores.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of profits of the Company for the year under reference to all those shareholders whose name shall appear in the Register of Members on 9th September 2016 or Register of Beneficial Owners, maintained by the Depositories as at the close of 9th September 2016.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205C of the Companies Act, 1956 the company has transferred an amount of Rs. 5,41,675.00 (Rs. Five Lacs Forty One Thousand Six Hundred Seventy Five only) being the amount of unclaimed dividend for the year 2007-2008 to the Investor Education and Protection Fund. Further, unpaid dividend for the year 2008-2009 shall be transferred to Investor Education and Protection Fund in November, 2016. The Company has also sent letter/ notice to the shareholders informing them to claim the unclaimed dividend from the Company before the same is transferred to the Investor Education and Protection Fund.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted their declaration to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the rules made thereunder.

APPOINTMENT OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to section 152(6) of the Companies Act, 2013 and

Article 117 of Article of Association of the Company, Sh. Dinesh Gogna (DIN 00498670) and Sh. Komal Jain (DIN 00399948), will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment to the members of the Company at the ensuing Annual General Meeting.

Besides, the period of office of Sh. Satish Kumar Sharma, Executive Director of the Company, who was appointed for a period of five years, is expiring on 31st July, 2017. The Board having regard to the overall growth of the Company under his leadership and on the recommendation of Nomination and Remuneration Committee has decided to reappoint him (subject to the approval of the shareholders) as Executive Director for a period of three years commencing from 1st August, 2017. The resolution for the same is being proposed for your approval in the accompanying Notice of the ensuring Annual General Meeting.

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 Mr. Atul Sud, Company Secretary are Key Managerial Personnel (hereinafter referred as KMP) of the Company. Mr. Atul Sud, Company Secretary resigned from the Company and his resignation was accepted by the Board of Directors in their meeting held on 12th August,2016. Further Mrs. Nidhi Khande having membership no (A32921) of Institute of company Secretaries of India was appointed as Company Secretary of the Company under the category of (KMP) w.e.f. 12th August, 2016.

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 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 as per the criteria/framework 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 except the participation of concerned Independent Director whose evaluation was to be done. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

CORPORATE POLICIES:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. As per the said regulations, the listed companies are required to formulate certain policies. As a good corporate the company has already formulated several corporate governance policies and the same are available on the Company's website i.e., www.owmnahar.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 recomm ended by Nomination and Remuneration Committee.
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 Policy was formulated and adopted by the Board. The CSR policy outline the various programmes/ projects/ activities to be undertaken by the Company as laid down in Schedule VII of the Companies Act, 2013.
Whistle Blower Policy	Pursuant to the provisions of Section 177 of the Companies Act, 2013 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 on Material 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 parties. The Policy has been uploaded on the Company's website and can be accessed at http://www.owmnahar.com /nahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf
Insider Trading Policy	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 30.05.2015 under SEBI (Prohibition of Insider Trading) Regulations, 2015: 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. The Code help 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.
Preservation of Documents Policy	Board of directors in their meeting held on10th November, 2015 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 8 years as per the requirements of applicable laws.
Archival Policy	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 November, 2015.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
Board Diversity Policy	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 diversification of Company's Board in respectofage,knowledge,experience and expertise.

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.The present Board consists of twelve members. Sh. Jawahar Lal Oswal is non-executive chairman. Sh. Satish Kumar Sharma is an Executive Director.

There are five Non Executive Directors and six Independent Directors out of which one director namely Dr. (Mrs.) H.K Bal is a woman director of the Board. The Company 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 Nomination 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.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors held their meeting on 4th December, 2015 without the attendance of Non-Independent Directors and members of the Management.

All Independent Directors were present at the meetimd. All 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 xiews 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 dulies.

FAMILIARISATION 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 Listing Agreement/ SEBI (Listing Obligations & 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 Listing Agreement/ SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The company made arrangement to apprise and familiarize the directors regarding the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 which came into effect w.e.f 1st December,2015. They were also informed regarding the Companies Amendment Bill 2015 which is introduced in the Parliament. The details of the Company's policy on Familiarisation Programs for Independent Directors is posted on the website of the Company and can be assessed at http://www.owmnahar.com/nahar_polyfilm/pdf/Familiarizatio-Program-NPFL0001.pdf

NUMBER OF BOARD MEETINGS

During the year under review, the Board of Directors met four times i.e. 30th May, 2015, 05th August, 2015, 10th November, 2015 and 10th February, 2016 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Your Company is engaged in the Manufacture 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. The Company has not entered into any contract or arrangement with related parties as referred in Section 188(1) of Companies Act, 2013. Thus the requirement for disclosure of particulars of contract / arrangement with related parties referred to in Section 188(1) is not applicable. However as per Company's Policy, all the transactions with Group companies are placed before the Audit Committee as well as Board, for their information and approval.

We also wish to inform you that 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.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCURRED 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, 2016 is Rs.1229.40 Lacs. During the year under review Company has neither issued shares with differential voting rights 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 in the Financial Statements provided in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more or turnover of Rs. one thousand crore or more or a net profit of rupees five crore or more during any financial year is required to spend in every financial year at least 2% of the average net profits made during the three immediate preceding financial years on CSR activities. We would like to imform you that as per applicable provisions of Companies Act 2013, there is average net loss and accordingly CSR provisions were not applicable during the year under review.

The disclosure relating to the 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 Responisibility) 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 Sh. Suresh Kumar Singla as Chairman, Prof K.S. Maini and Sh. Dinesh Gogna, Directors as members. Mr. Atul Sud who was the secretary of the Committee has resigned and his

resignation has been accepted by Board w.e.f. 12th August, 2016. To fill the vacancy, the Board in its meeting held on 12th August, 2016 has appointed Mrs. Nidhi Khande as Company Secretary cum Compliance Officer w.e.f. 12th August, 2016. 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 and Regulation 22 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 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 provide 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. whistleblowernsml@owmnahar.com for reporting the genuine concerns.

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

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATES COMPANY

The Company has only one associate company i.e., M/S. Nahar Capital and Financial Services Limited, during the year under the review. The Company does not have any subsidiaries or joint venture company.

CREDIT RATING

We are pleased to inform that the Credit Analysis and Research (CARE) vide their letter dated 11th April, 2016 has assigned the credit rating "CARE A-" for long term debt instruments/ facilities and "CARE A2+" for the short term debt instruments/ facilities of the Company.

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 Further, as per the provisions of companies act,2013 read with companies (Management and Administration) Rules,2014 the Company may send Financial Statements and other documents by Electronic mode to its members. Your Company has decided to join the MCA in its environmental friendly initiative.

Accordingly, 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 gredressalnpfl@owmnahar .com. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.

LISTING AGREEMENT

To steamlline the provisions of the Listing Agreement and its better enforceability the Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The said Regulations became effective from 1st December, 2015. In compliance of the said Regulations, the Company has entered into Listing Agreement with the National Stock Exchange of India Ltd and The B.S.E. Ltd on 10th February, 2016

LISTING OF SECURITIES

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

1. The B.S.E. 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 2016-2017.

DEMATERIALISATION OF SECURITIES.

As the members must be aware that Company's securities are tradable compulsorily in electronic form w.e.f. 8th May 2000. 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, 2016 date 92.89% of the Share Capital has been de-materialized by the members of the Company.

Annual custodian fee for the financial year 2016-2017 has also been paid to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Further as per SEBI circular No. D & CC/FITTC/CIR-15/2002 DATED 27TH December, 2002, 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 Ltd.)
Alankit House,2E/21, Jhandelwalan Extension NEW DELHI-110055
Telephone No.:(011)23541234
Fax No. :(011)41540064

E-mail Address:rta@alankit.com

In case any query/complaint remains unresolved with our Registrar please write to Company Secretary at the Registered Office of the Company.

The shareholder(s) who have not gone in for dematerialization of shares till date, are requested to opt for dematerialization of the shares at the earliest.

DIRECTORS RESPONSIBILITY STATEMENT

The 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 Section 134(3)(c) of the Companies Act, 2013.

The Directors confirm:

i) that in preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanations relating to material departures.

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 that period;

iii) that they had taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting any fraud and other irregularities.

iv) that they had prepared the Annual Accounts on a going concern basis.

v) that the Directors (in the case of a listed company) 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

The members at the Annual General Meeting held on 30th September, 2015, appointed M/S. Gupta Vigg & Co., Chartered Accountants (Registration No. 001393N), as Statutory Auditors to hold the office till the conclusion of the 28th Annual General Meeting of the Company. Their period of office will expire at the ensuing Annual General Meeting. They have expressed their willingness for re-appointment as Auditors of the Company and has given a written consent/certificate regarding eligibility for their reappointment as Statutory Auditors in accordance with the Rule 4 of the Companies(Audit and Auditors) Rule, 2014 read with the provisions of section 139(2) of the Companies Act, 2013. The Board of Directors based on the recommendation of the Audit Committee has proposed the appointment of M/s. Gupta Vigg & Co., as the Statutory Auditors of the Company for a period of one year to hold the office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

AUDIT REPORT

The Statutory Auditors have submitted Audit Report on Standalone as well as Consolidated Financial Statement of the Company for the Accounting year ended on 31st March, 2016. The observations and comments given by Auditors in their Reports read together with the Notes to the Accounts are self explanatory and require no comment.

COST AUDITORS

We would like to inform you that the Ministry of Corporate Affairs vide Notification dated 31st December, 2014 amended Companies (Cost Records and Audit) Rules, 2014, pursuant to which, the Company's business activities has been included with in the purview of Cost Audit requirement. Accordingly The Board of Directors on the recommendation of Audit Committee has appointed M/S. Khushwinder Kumar & Associates, Cost Accountant, as Cost Auditors of the Company for financial year 2016-17 and has fixed the remuneration of Rs. 45000/- for the audit of Cost Accounting records for the said financial year. The Board, pursuant to the provision of Section 148(3) of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014, has recommended a resolution for the ratification of the remuneration of the Cost Auditor by the shareholders at the ensuing Annual General Meeting of the Company.

SECRETARIAL AUDITOR

The Board, 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, has appointed M/s. P.S. Bathla & Associates, Practising Company Secretaries, having Membership No. 2585 to conduct Secretarial Audit for the financial year 2015-16.

M/s. P.S. Bathla & Associates, Practising Company Secretaries have carried out the secretarial Audit for the financial year ended March 31, 2016 and their Secretarial Audit Report in Form No. MR-3 is annexed herewith this report as Annexure II and forms part of the report.

The Report is self explanatory and require no comments.

BUSINESS RISK MANAGEMENT

The Company has laid down Risk Management Policy 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 overseas 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 which came into effect from 1st December, 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 has an adequate systems and Internal Financial Control to ensure that all the assets of the company are safeguarded and protected. The Company's Internal Financial Control Systems commensurate with the nature of its business and size of its operations. In order to further strength the Internal Control Systems and to automate the various process of the business, 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 also appointed an Internal Auditor for the financial year 2016-17. 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. Internal Audit Reports are discussed with the management and are reviewed by the Audit Committee of the Board. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

Apart from this, 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 oversee the adequacy of Internal Control. The Audit Committee met four times during the financial year under review. 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 the company has not accepted any Public Deposit within the meaning of section 73,of the Companies Act,2013 and the rules made 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: Not Applicable

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 2015-16, the Company has not received any complaints on sexual harassment and hence no compliant remains pending as of 31 March, 2016.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the Financial year 2015-16 in the Form MGT-9 of the Company is annexed herewith as Annexure III and form part of this report.

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 IV" and form part of this report.

Further 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-V 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 parts C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached herewith as Annexure-VI and froms 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) Schedule V(B) of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges in India is enclosed as per annexure-VIII 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 Board of Directors of the company wish to place on record their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the company. The Directors are thankful to the Bankers, Financial Institutions for their continued support to the company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

FOR AND ON BEHALF OF THE BOARD

JAWAHAR LAL OSWAL
(CHAIRMAN)
DIN:00463866

PLACE : LUDHIANA
DATED : 12TH AUGUST, 2016

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 Corporate Social Responsibility Policy (CSR Policy) and recommended the same to the Board of Directors for its 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 Oswal Foundation, which is a Registered Society formed in 2006, having its Charitable objects in various fields.The details of CSR policy available on the Company's website at the link: http://www.owmnahar .com/npfl/.
2. **Composition of the CSR Committee:** Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has also constituted the Corporate Social Responsibility Committee comprising three members namely:
   Sh. Dinesh Oswal, Chairman (Director)
   Sh. S.K. Singla, Member (Independent Director)
   Sh. Dinesh Gogna, Member (Director)
3. **Average Net loss of the Company for last three financial years: Rs. -1.11Crores**
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** NA
5. **Details of CSR spend for the financial year:**
   (a) Total amount spent for the financial year: Nil
   (b) Amount unspent, if any: Nil
   (c) Manner in which the amount spent during the financial year : N.A

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. 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 on the projects or programs Subheads: 1. Direct expenditure on projects or programs. 2.Overhead	Cumulative expenditure upto the reporting period	Amount spent Direct or through implem -enting agency
1.	--	--	--	--	--	--	--

6. **Reasons for not spending the two percent of the average net profits of the immediate three preceding financial years:**
   Because there was average net loss of Rs. -1.11Crores during the immediate three preceding financial years the company didn't spend any money on CSR Acitivits.
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/-

Place: Ludhiana **(DINESH OSWAL)**

Date: 12th August,2016 **Director/ Chairman of CSR Committee**

DIN : 00607290

ANNEXURE-II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[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 Limited
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 **Nahar Poly Films Limited** (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, 2015 to 31st March, 2016 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 **Nahar Poly Films Limited** ("the Company") for the financial year ended on **31st March, 2016** according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made there under;
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 there under;
IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 1992;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period as there was no event in this regard);**
   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable to the Company during the Audit Period as there was no event in this regard);**
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period as there was no event in this regard);**
   (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 to the Company during the Audit Period as there was no event in this regard);**
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(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, 1998 **(Not Applicable to the Company during the Audit Period as there was no event in this regard);**

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.
   (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, 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 notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Unanimous decision have been carried through hence there were no dissenting members' views to be captured and recorded as a part of minutes.

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.

Place: Ludhiana
Date: 12th August, 2016

For P S Bathla & Associates
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 Limited
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 as 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.

Place: Ludhiana
Date: 12th August, 2016

For P S Bathla & Associates

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

Annexure -III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L17115PB1988PLC008820
2	Registration Date	11th November, 1988
3	Name of the Company	Nahar Poly Films Limited.
4	Category/Sub-category of the Company	Public Company Limited by shares
5	Address of the Registered office & Contact Details	376, Industrial Area-A, Ludhiana-141003 Tel: +91-161-2600701 to 705, 2606977 to 980 Fax: +91-161-2222942,2601956
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Alankit Assignments Limited 2E/21 Alankit House, Jhandewalan Extension, New Delhi -110 055 Contact Details: PHONE: +(011)-23541234 FAX: +(011)-41540064 E-mail: rta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of other plastic products n.e.c	22209	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the company	CIN/GLN	Holding/subsidiary/ Associate	% of Share held	Applicable Section
1	Nahar Capital & Financial Services Limited. 375, Industrial Area- A, Ludhiana-141003	L45202PB2006PLC029968	Associate	49.161	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)Promoter and Promoter Group									
1. Indian									
(a)Individual/ HUF	136773	0	136773	0.56%	136773	0	136773	0.56 %	0.00%
(b)CentralGovt/	0	0	0	0.00%	0	0	0	0.00%	0.00%
(c)State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	16927589	0	16927589	68.84%	17114032	0	17114032	69.60%	0.76%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub Total (A)(1)	**17064362**	**0**	**17064362**	**69.40%**	**17250805**	**0**	**17250805**	**70.16%**	**0.76%**

(2) Foreign									
a)NRI Individual	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub Total (A) (2)	**0**	**0**	**0**	**0.00%**	**0**	**0**	**0**	**0.00%**	**0.00%**
TOTAL (A)	**17064362**	**0**	**17064362**	**69.40%**	**17250805**	**0**	**17250805**	**70.16%**	**0.76%**
B. Public Share holding									
1. Institutions									
a) Mutual Funds	1946	518	2464	0.01%	1946	518	2464	0.01%	0.00%
b) Banks / FI	108	752	860	0.00%	164	822	986	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
I) Others (FII'S)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub-total (B)(1):-	**2054**	**1270**	**3324**	**0.01%**	**2110**	**1340**	**3450**	**0.01%**	**0.00%**
2. Non-Institutions									
a) Bodies Corp.									
I) Indian	697793	11316	709109	2.89%	837665	11251	848916	3.45%	0.56%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
I) Individual shareholders holding nominal share capital upto Rs.1 lakh	4136663	1766612	5903257	24.01%	4168595	1727675	5896270	23.98%	-0.03%
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	803462	0	803462	3.27%	479248	0	479248	1.94%	-1.31%
c) Others (specify)	95925	8534	104459	0.42%	100768	8534	109302	0.44%	0.02%
Non Resident Indians	92044	8366	100410	0.41%	97393	8366	105759	0.43%	0.02%
Directors & Relatives	3881	28	3909	0.01%	3375	28	3403	0.01%	0.00%
Overseas Corporate Bodies	0	0	0	0.00%	0	0	0	0.00%	0.00%
Trusts	0	140	140	0.00%	0	140	140	0.00%	0.00%
Sub-total (B)(2):-	**5733843**	**1786462**	**7520305**	**30.59%**	**5586276**	**1747460**	**7333736**	**29.83%**	**-0.76%**
Total Public (B)	**5735897**	**1787732**	**7523629**	**30.59%**	**5588386**	**1748800**	**7337186**	**29.84%**	**-0.76%**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00%**	**0**	**0**	**0**	**0.00%**	**0.00%**
Grand Total (A+B+C)	**22800259**	**1787732**	**24587991**	**100.00%**	**22839191**	**1748800**	**24587991**	**100.00%**	**0.00%**

ii) Shareholding of promoter

SN	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of year			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Plegged/ encumbers to total share	No. of Shares	% of total Shares of the Company	% of Shares Plegged/ encumbered to total Shares	
1	Kamal Oswal	31500	0.128	0.00	31500	0.128	0.00	0.00%
2	Dinesh Oswal	105273	0.428	0.00	105273	0.428	0.00	0.00%
3	Abhilash Growth Fund (P) Limited	178025	0.724	0.00	178025	0.72	0.00	0.00%
4	Nahar Spinning Mills Ltd.	1060620	4.31	0.00	1247063	5.07	0.00	0.76%
5	Atam Vallabh Financiers Ltd	81985	0.333	0.00	81985	0.333	0.00	0.00%
6	Kovalam Investment & Trading Co., Ltd	213037	0.866	0.00	213037	0.866	0.00	0.00%
7	Monica Growth Fund (P) Ltd	112560	0.458	0.00	112560	0.458	0.00	0.00%
8	Nagdevi Trading & Investment Co Ltd	716080	2.912	0.00	716080	2.912	0.00	0.00%
9	Nahar Growth Fund (P) Ltd	46933	0.191	0.00	46933	0.191	0.00	0.00%
10	Neha Credit And Investment (P) Ltd	27389	0.111	0.00	27389	0.111	0.00	0.00%
11	Ruchika Growth Fund (P) Ltd	112560	0.458	0.00	112560	0.458	0.00	0.00%
12	Shankheshwar Holding Co. Ltd	280784	1.142	0.00	280784	1.142	0.00	0.00%
13	Vanaik Investors Ltd	90669	0.369	0.00	90669	0.369	0.00	0.00%
14	Vardhman Investments Ltd	73220	0.298	0.00	73220	0.298	0.00	0.00%
15	Vanaik Spinning Mills Ltd	107156	0.436	0.00	107156	0.436	0.00	0.00%
16	Nahar Industrial Enterprises Ltd	1264720	5.144	0.00	1264720	5.144	0.00	0.00%
17	Oswal Woolen Mills Ltd.	153617	0.624	0.00	153617	0.624	0.00	0.00%
18	J L Growth Fund Ltd	320563	1.304	0.00	320563	1.304	0.00	0.00%
19	Nahar Capital and Financial Services Ltd	12087671	49.161	0.00	12087671	49.161	0.00	0.00%
	Total	**17064362**	**69.40**	**0.00**	**17250805**	**70.16**	**0.00**	**0.76%**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	**% of total shares**	**No. of shares**	**% of Total shares**
1	Nahar Spinning Mills Limited						
	At the beginning of the year	01.04.2015		1060620	4.31	1060620	4.31
	Changes during the year	06.04.2015	Mkt.Purchase	2407	0.01	1063027	4.32
		07.04.2015	Mkt.Purchase	2530	0.01	1065557	4.33
		08.04.2015	Mkt.Purchase	6772	0.03	1072329	4.36
		09.04.2015	Mkt.Purchase	567	0.00	1072896	4.36
		10.04.2015	Mkt.Purchase	3114	0.02	1076010	4.38
		15.04.2015	Mkt.Purchase	99	0.00	1076109	4.38
		16.04.2015	Mkt.Purchase	1391	0.00	1077500	4.38
		17.04.2015	Mkt.Purchase	241	0.00	1077741	4.38
		22.04.2015	Mkt.Purchase	2247	0.01	1079988	4.39
		24.04.2015	Mkt.Purchase	1.00	0.00	1079989	4.39
		27.04.2015	Mkt.Purchase	813	0.01	1080802	4.40
		28.04.2015	Mkt.Purchase	757	0.00	1081559	4.40
		29.04.2015	Mkt.Purchase	6350	0.02	1087909	4.42
		04.05.2015	Mkt.Purchase	1051	0.01	1088960	4.43
		05.05.2015	Mkt.Purchase	2464	0.01	1091424	4.44
		06.05.2015	Mkt.Purchase	1500	0.00	1092924	4.44
		07.05.2015	Mkt.Purchase	2766	0.02	1095690	4.46
		08.05.2015	Mkt.Purchase	13249	0.05	1108939	4.51
		12.05.2015	Mkt.Purchase	3235	0.01	1112174	4.52
		13.05.2015	Mkt.Purchase	1.00	0.00	1112175	4.52
		15.05.2015	Mkt.Purchase	10979	0.05	1123154	4.57
		18.05.2015	Mkt.Purchase	720	0.00	1123874	4.57
		25.05.2015	Mkt.Purchase	4000	0.02	1127874	4.59
		02.06.2015	Mkt.Purchase	7214	0.03	1135088	4.62
		03.06.2015	Mkt.Purchase	8154	0.03	1143242	4.65
		04.06.2015	Mkt.Purchase	4.00	0.00	1143246	4.65
		05.06.2015	Mkt.Purchase	1000	0.00	1144246	4.65
		08.06.2015	Mkt.Purchase	34459	0.14	1178705	4.79
		12.06.2015	Mkt.Purchase	598	0.01	1179303	4.80
		15.06.2015	Mkt.Purchase	114	0.00	1179417	4.80
		16.06.2015	Mkt.Purchase	1958	0.00	1181375	4.80
		17.06.2015	Mkt.Purchase	10420	0.05	1191795	4.85
		18.06.2015	Mkt.Purchase	381	0.00	1192176	4.85
		19.06.2015	Mkt.Purchase	905	0.00	1193081	4.85
		22.06.2015	Mkt.Purchase	362	0.00	1193443	4.85
		23.06.2015	Mkt.Purchase	3	0.00	1193446	4.85
		24.06.2015	Mkt.Purchase	292	0.00	1193738	4.85
		26.06.2015	Mkt.Purchase	199	0.01	1193937	4.86
		03.07.2015	Mkt.Purchase	34950	0.14	1228887	5.00
		06.07.2015	Mkt.Purchase	1052	0.00	1229939	5.00

		07.07.2015	Mkt.Purchase	3585	0.02	1233524	5.02
		23.07.2015	Mkt.Purchase	650	0.00	1234174	5.02
		24.07.2015	Mkt.Purchase	2000	0.01	1236174	5.03
		16.02.2016	Mkt.Purchase	10889	0.04	1247063	5.07
	At the end of the year	31.03.2016				1247063	5.07

Note : There are no other changes in the total shareholding of promoters between 01-04-2015 and 31-03-2016

(iv) **Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs

SN	For each of the top 10	Shareholding		Date	Increase/ decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2015to31-03-2016)	
		No. of shares Beginning (01.04.2015) end of the year (31.03. 2016)	% of total shares of the Company				No. of shares	% of Total shares of the Company
1	RATHI FINANCIAL SERVICES LTD							
	At the beginning of the year	40187	0.163	01-04-2015				
				25-04-2015	-7187	Mkt.Sale	33000	0.134
				01-05-2015	7187	Mkt.Purchase	40187	0.163
	At the end of the year	40187	0.163	31-03-2016			40187	0.163
2	DEENBANDU JALAN							
	At the beginning of the year	49972	0.203	01-04-2015				
					0	Nil Movement during the year		
	At the end of the year	49972	0.203	31-03-2016			49972	0.203
3	*CD INTEGRATED SERVICES LTD							
	At the beginning of the year	160000	0.651	01-04-2015				
				25-04-2015	-160000	Mkt.Sale	0	0.00
				01-05-2015	160000	Mkt.Purchase	160000	0.651
				14-08-2015	11800	Mkt.Purchase	171800	0.699
				15-01-2016	-3489	Mkt.Sale	168311	0685
	At the end of the year	168311	0.685	31-03-2016			168311	0.685
4	C.D.INTEGRATED SERVICES LTD							
	At the beginning of the year	75568	0.307	01-04-2015				
				25-04-2015	-75568	Mkt.Sale	0	0.00
				01-05-2015	75568	Mkt.Purchase	75568	0.307
				23-10-2015	300	Mkt.Purchase	75868	0.309
				30-10-2015	-3300	Mkt.Sale	72568	0.295
	At the end of the year	72568	0.295	31-03-2016			72568	0.295
5	C.D.INTEGRATED SERVICES LTD							
	At the beginning of the year	Nil	0.00	01-04-2015				
				08-01-2016	300	Mkt.Purchase	300	0.001
				15-01-2016	-300	Mkt.Sale	0	0.00
	At the end of the year	Nil	0.00	31-03-2016			0	0.00

6	C.D.INTEGRATED SERVICES LTD							
	At the beginning of the year	46089	0.187	01-04-2015				
				25-04-2015	-46089	Mkt.Sale	0	0.00
				01-05-2015	46089	Mkt.Purchase	46089	0.187
	At the end of the year	46089	0.187	31-03-2015			46089	0.187
7.	MADAN LAL CHHAJER							
	At the beginning of the year	53342	0.217	01-04-2015				
				25-04-2015	-900	Mkt.Sale	52442	0.213
				01-05-2015	900	Mkt.Purchase	53342	02.17
				26-06-2015	-500	Mkt.Sale	52842	0.215
				07-08-2015	200	Mkt.Purchase	53042	0.216
				16-10-2015	-200	Mkt.Sale	52842	0.215
				30-10-2015	-500	Mkt.Sale	52342	0.213
	At the end of the year	53342	0.213	31-03-2016			52342	0.213
8.	MANGAL KESHAV CAPITAL LTD							
	At the beginning of the year	46304	0.187	01-04-2015				
					0	Nil Movement during the year		
	At the end of the year	46304	0.187	31-03-2016			46304	0.187
9.	Shreekant Varun Phumbhra							
	At the beginning of the year	Nil	0.00	01-04-2015				
				20-11-2015	25000	Mkt.Purchase	25000	0.102
				04-03-2016	25000	Mkt.Purchase	50000	0.203
	At the end of the year	50000	0.203	31-03-2016			50000	0.203
10.	JAGDISH PRASAD BAGRI							
	At the beginning of the year	Nil	0.00	01-04-2015				
				13-11-2015	6000	Mkt.Purchase	6000	0.024
				08-01-2016	57101	Mkt.Purchase	63101	0.257
	At the end of the year	63101	0.257	31-03-2016			63101	0.257
11.	SATISH KUMAR							
	At the beginning of the year	Nil	0.00	01-04-2015				
				11-09-2015	45000	Mkt.Purchase	45000	0.183
				31-03-2016	25366	Mkt.Purchase	70366	0.286
	At the end of the year	70366	0.286	31-03-2016			70366	0.286
12.	SUBRAMANIAN P							
	At the beginning of the year	NIL	0.00	01-04-2014				
				11-09-2015	30845	Mkt.Purchase	30845	0.125
				18-09-2015	6406	Mkt.Purchase	37251	0.152
				25-09-2015	2500	Mkt.Purchase	39751	0.162
				06-11-2015	2000	Mkt.Purchase	41751	0.170
				20-11-2015	619	Mkt.Purchase	42370	0.172
				31-12-2015	2000	Mkt.Purchase	44370	0.180
				29-01-2016	1000	Mrt.Purchase	45370	0.184
				12-02-2016	450	Mkt.Purchase	45820	0.186
				11-03-2016	1800	Mkt.Purchase	47620	0.194
				18-03-2016	2070	Mkt.Purchase	49690	0.202
	At the end of the year	49690	0.202	31-03-2016			49690	0.202
13.	LACHMAN KISHAN CHAND							
	At the beginning of the year	57803	0.235	01-04-2015				

				25-04-2015	-57803	Mkt.Sale	0	0.00
				01-05-2015	57803	Mkt.Purchase	57803	0.235
				30-10-2015	-22428	Mkt.Sale	35375	0.144
				06-11-2015	-3557	Mkt.Sale	31818	0.129
				13-11-2015	-2616	Mkt.Sale	29202	0.119
				25-12-2015	798	Mkt.Purchase	30000	0.122
				05-02-2016	3425	Mkt.Purchase	33425	0.136
				19-02-2016	575	Mkt.Purchase	34000	0.138
				26-02-2016	1000	Mkt.Purchase	35000	0.142
				04-03-2016	1000	Mkt.Purchase	36000	0.146
	At the end of the year	36000	0.146	31-03-2016			36000	0.146

***C.D INTEGRATED SERVICES LTD having three different Client Id's but having same Registered address, has been considered as one entity for the purpose of top ten Shareholders.**

*** Top ten shareholders as on 31.03.2016.**

(v) Shareholding of Directors and Key Managerial Personnel:

SN	For each of the top 10 shareholders	Date	Reason	Shareholding at the beginning of during the year		Cumulative Shareholding	
				No. of shares	% of total shares of the	No. of shares	% of Total shares
1	DINESH GOGNA						
	At the beginning of the year	01-04-2015		700	0.003		
	Changes during the year		N.A.	0	0.00		
	At the end of the year	31-03-2016		700	0.003	700	0.003
2	KOMAL JAIN						
	At the beginning of the year	01-04-2015		175	0.001		
	Changes during the year		N.A.	0	0.00		
	At the end of the year	31-03-2016		175	0.001	175	0.001
3	KANWAR SAIN MAINI						
	At the beginning of the year	01.04.2015		28	0.00		
	Changes during the year		N.A.	0	0.00		
	At the end of the year	31.03.2016		28	0.00	28	0.00

Note:- Shri Dinesh Oswal & Shri Kamal Oswal are directors of the company. They are also promoters of the company & their holding of share has been included in the promoter categary (In point B i.e. shareholding of promoters at no. 1&2).

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	608509199	Nil	Nil	608509199
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	608509199	Nil	Nil	608509199
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	174185548	Nil	Nil	174185548
Net Change	174185548	Nil	Nil	174185548
Indebtedness at the end of the financial year				
i) Principal Amount	434323651	Nil	Nil	434323651
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	434323651	Nil	Nil	434323651

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
1.	Name	Sh. Satish Kumar Sharma	
	Designation	Executive Director	
	Gross Salary	1993298.00	1993298.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1901798.00	1901798.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	91500.00	91500.00
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	-	-
2	Stock Option	--	–
3	Sweat Equity	--	–
4	Commission - as % of profit - others, specify…	–	–
5	Others, please specify	–	–
	Total (A)	1993298.00	1993298.00
	Ceiling as per the Act	Rs. 8886759.40(being 5% of net profits of the company calculated as per Section 198 of the Companies Act,2013)	

B. Remuneration to other Directors

SN	Particulars of Remuneration	Name of Directors						Total Amount
1	**Independent Directors**	**Dr. (Mrs.) H.K. Bal**	**Prof. Kanwar Sain Maini**	**Dr. Suresh Kumar Singla**	**Dr. Yash Paul Sachdeva**	**Dr. Amrik Singh Sohi**	**Dr. Vijay Asdhir**	
	Fee for attending board committee meetings	30000.00	40000.00	40000.00	40000.00	20000.00	30000.00	200000.00
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	30000.00	40000.00	40000.00	40000.00	20000.00	30000.00	200000.00
2	**Other Non-Executive Directors**	**Sh. Jawahar Lal Oswal**	**Sh. Dinesh Oswal**	**Sh. Kamal Oswal**	**Sh.Dinesh Gogna**	**Sh. Komal Jain**		
	Fee for attending board committee meetings	30000.00	30000.00	40000.00	40000.00	40000.00	-	180000.00
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	30000.00	30000.00	40000.00	40000.00	40000.00	-	180000.00
	Total (B)=(1+2)	30000.00	30000.00	40000.00	40000.00	40000.00	-	380000.00
	Total Managerial Remuneration (A +B)*							2373298.00
	Overall Ceiling as per the Act	Rs. 19550870.68 (being 11% of net profits of the company calculated as per Section 198 of the Companies Act,2013)						

*Total remuneration to Executive Director and other Directors (being the total of A and B)
Note:- None of the Non Executive & Independent Directors has been paid any remuneration except sitting fees.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
1	Gross salary	760514	359325	1119839
	(a) Salary as per provisions contained in 1961 section 17(1) of the Income-tax Act,	738090	352950	1091040
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	22424	6375	28799
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	–	–
2	Stock Option	--	–	–
3	Sweat Equity	--	–	–
4	Commission - as % of profit others, specify…	-- -- --	– – –	– – –
5	Others, please specify	--	–	--
	Total	760514	359325	1119839

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act,	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal Made, if any (give) Details)
A. COMPANY			**NIL**		
Penalty					
Punishment					
Compounding					
B. DIRECTORS			**NIL**		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT			**NIL**		
Penalty					
Punishment					
Compounding					

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA
DATED : 12TH AUGUST,2016

JAWAHAR LAL OSWAL
(CHAIRMAN)
DIN:00463866

Annexure-IV

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 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 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 2015-16	% increase in Remuneration in the Financial Year 2015-16	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	Sh. J.L. Oswal Non-Executive Director	30000	20	0.20	--
2	Sh. Dinesh Oswal Non Executive Director	30000	-14.29	0.20	--
3.	Sh. Kamal Oswal Non-Executive Director	40000	14.29	0.27	--
4.	Sh. Dinesh Gogna Non-Executive Director	40000	14.29	0.27	--
5.	Sh. S.K. Sharma Executive Director	1993298.00*	8.96	13.30	Profit before Tax increased to Rs. 17.57crores in the Financial Year 2015-16 from Rs. 7.59 Crores in the FY 2014-15 and After Tax it increased to Rs 11.65 crores in the financial year 2015-16 from 4.54 crores in 2014-15
6.	Mr. Komal Jain Non-Executive Director	40000	14.29	0.27	–
7.	Dr. (Mrs.) H.K. Bal Independent Director	30000	-14.29	0.20	–
8.	Dr. S.K. Singla Independent Director	40000	14.29	0.27	–
9.	Dr. Y.P. Sachdeva Independent Director	40000	14.29	0.27	–
10.	Prof. K.S. Maini Independent Director	40000	14.29	0.27	–
11.	Dr. A.S. Sohi Independent Director	20000	-20	0.13	–
12	Dr. Vijay Asdhir Independent Director	30000	-14.29	0.20	–
13	Mr. Rakesh Kumar Jain Chief Financial Officer	760514	8.16	5.07	Profit before Tax increased to Rs. 17.57 crores in the Financial Year 2015-16 from Rs.7.59 Crores in the FY 2014-15 and After Tax it increased to Rs.11.65 crores in the financial year 2015-16 from 4.54 crores in 2014-15
14.	Mr.Atul Sud Company Secretary	359325	14.59	2.40	

*Except Sh. S.K. Sharma who is executive Director of the Company, all the other directors are only paid the sitting fees for attending the Board Meeting.

ii) The median remuneration of employees of the company during the financial year was Rs. 149865/-

iii) In the financial year, there was an increase of 12.31% in the median remuneration of employees;

iv) There were 176 permanent employees on the roles of company as on March 31, 2016;

v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e.2015-16 was 12.14% whereas the increase in the managerial remuneration in the last financial year i.e., 2015-16 was 9.38%

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 REMUNE RATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Sr. No.	Name & Designation	Remuneration received (Rs. in Lakhs)	Nature of employment (contractual or otherwise)	Qualification & Experience	Date of commencement of employment	Age	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Sh. Sanjay M Karandikar	40.53	Regular	B.E 31 Years	04.03.2008	53	Uflex Ltd. U.P.	N.A.	No
2.	Sh. Chandra Kanth Rao President Marketing	18.80	Regular	B.E Mech 26 Years	18.12.2009	48	Cosmo Films Ltd.	N.A.	No
3.	Sh. Chetan S Rohatgi V. P Production	18.55	Regular	B.Tech. 29 Years	01.05.2012	51	Uflex Ltd. U.P.	N.A.	No
4.	Sh. Surinder Singh V.P. Comm & Admin	15.62	Regular	B.Com C.A.Inter 33 Years	16.03.2011	60	Oswal F.M Hammerle Textiles Ltd.	N.A.	No
5.	Sh. Ashok Gupta Sr. Mgr Mechanical	13.65	Regular	B.E.Mech. 26 Years	07.04.2011	53	Jindal Poly Films Ltd.	N.A.	No
6.	Sh. Amit Kumar Verma Manager Mktg.	11.37	Regular	MBA Mktg. 11 Years	15.12.2011	36	Uflex Ltd. U.P.	N.A.	No
7.	Sh. Shailesh Singh Sr. Mgr Q.A Executive	9.69	Regular	MSC 28 Years	04.02.2010	52	Uflex Ltd. U.P.	N.A.	No
8.	Sh. Pramod Kumar Singh Mgr. Elect.	7.95	Regular	B.Tech. 9 Years	07.12.2009	33	Uflex Ltd. U.P.	N.A.	No
9.	Sh. Mujeeb R.Khan Dy.Mgr. Electrial	7.94	Regular	Bsc, Dip.in Elect. 17 Years	15.09.2009	56	Voltas Ltd.	N.A.	No
10.	Sh. Kaushal Agrawal Mgr.Metllizer	7.91	Regular	MBA, Dip.in Mech. 18 Years .	12.01.2010	40	M.G.M.Met Metallizer Ltd.	N.A.	No

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 12th August, 2016

JAWAHAR LAL OSWAL
(Chairman)
DIN: 00463866

ANNEXURE-V

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 consumes 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 Char Coal -PetCoke,FurnaceOil,LimePowder Hydrauted, 80%, Lime Stone - 25 To 40MM, Paddy Husk, Pet Coke, Ultra Low Sulphur diesel as fuel as per detail given below:

ITEM	QTY	AMOUNT
CHAR COAL - PET COKE	1970.00	39400
FURNACE OIL	0.89	23362
LIME POWDER - HYDRAUTED,80%	10500.00	49875
LIME STONE -25 TO 40MM	38700	103102
PADDY HUSK	3990.00	8978
PET COKE	1226.11	9203224
ULTRA LOW SULPHUR DIESEL	1220.00	63773

(ii) The steps taken by the Company for utilising alternate source of energy

The company may take appropriate measures after evaluating the green/solar sources of energy as may be possible in the unit.

iii) The Capital Investment on energy conservation equitments

No Capital Investment was made during the year 2015-2016.

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 enjoying the benefit of improved quality, productivity & saving in manufacturing cost.

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
Expenditure on R & D		
Capital(Rs.)	:	NIL
Recurring (Rs.)	:	NIL
Total(Rs.)	:	NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(I) Activities relating to Exports, initiative taken to increase ex ports, Development of New Export Market for products and export plans. During the financial year 2015-2016 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, Slovak Republic etc.

		Current Year 2015-16	Previous Year 2014-15
(II)	**Total Foreign Exchange used and earned :-**		
a)	Foreign Exchange outgo (Rs.)	**107408766.00**	138338510.00
b)	Foreign Exchange earned (Rs.)	**66523466.00**	414116258.00

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA
DATED : 12TH AUGUST,2016

JAWAHAR LAL OSWAL
(Chairman)
DIN: 00463866

ANNEXURE-VI

CORPORATE GOVERNANCE REPORT

This report of Corporate Governance form part of the Annual Report.

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 key to success of business. The company's philosophy envisage 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. 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) and accordingly we are pleased to report on the corporate governance as hereunder:-

I. BOARD OF DIRECTORS

a. Composition and Category of Directors:

As per the requirements of Regulation 17(1) of SEBI LODR Regulations, 2015, the Board of the Company should have the optimum combination of executive and non-executive directors with at least one women director.

i. We are pleased to report that the present strength of the Board is Twelve Directors which Comprises of optimal mix of Executive and Non executive Directors. Sh. Satish Kumar Sharma, is an Executive Director & Sh. J.L. Oswal is a non Executive Chairman. Since Sh. J.L. Oswal is also one of the promoter of the company, the company has complied the Regulation 17(b) of SEBI (LODR) Regulations, 2015 by having at least half of the Board of Director as Independent Director. Six directors namely Dr. (Mrs.) H.K. Bal, Prof. K.S. Maini, Dr. S.K. Singla, Dr. Yash Paul Sachdeva, Dr. Amrik Singh Sohi and Dr. Vijay Asdhir are Independent Non- Executive Directors and Dr. (Mrs.) H.K. Bal is the women Director of the Company. Sh. Dinesh Oswal, Sh. Kamal Oswal, Sh. Dinesh Gogna and Sh. Komal Jain are other Non-Executive directors of the Company.

b. Number of Board Meetings held and dates on which held:

During the year the Board met four times i.e. on 30th May, 2015, 5th August, 2015, 10th November, 2015 and 10th February, 2016 with a clearly defined agenda circulated well in advance of each meeting. The maximum interval between the two consecutive Board Meetings is not more than 120 days. All the Directors strive to be present at the Board Meetings.

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 held during the year 2015-16 and the last Annual General Meetings held on Wednesday, 30th day of September, 2015 is given here under:

Name of Director	Category of Directors	No. of other Directoership (excluding private company)	No. of Committe membership		No. of Board Meeting attended	AGM Attendance (held on 30.09.2015)	No. of Shares held
			Member	Chairman			
Mr.Jawahar Lal Oswal	Non Executive Promoter	8	--	--	3	No	Nil
Mr. Dinesh Oswal	Non Executive Promoter	8	--	--	3	Yes	105273
Mr. Kamal Oswal	Non Executive Promoter	9	1	--	4	Yes	31500
Mr. Dinesh Gogna	Non Executive	8	5	2	4	Yes	700
Dr.(Mrs.) H.K. Bal	Non Executive Independent	5	2	2	3	Yes	Nil
Mr. S.K. Sharma	Executive Director	2	3	--	3	Yes	Nil
Prof. K.S. Maini	Non Executive Independent	3	2	2	4	Yes	28
Dr. Suresh Kumar Singla	Non Executive Independent	4	3	3	4	Yes	Nil
Dr. Yash Paul Sachdeva	Non Executive Independent	5	4	--	4	No	Nil
Mr. Komal Jain	Non Executive	6	1	--	4	Yes	175
Dr. Amrik Singh Sohi	Non Executive Independent	3	2	1	2	Yes	Nil
Dr. Vijay Asdhir	Non Executive Independent	1	1	1	3	Yes	Nil

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

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson is already given in the table given in Para C above. None of the Director holds Directorship in more than twenty Companies and is Director of more than ten public limited companies as prescribed under the Companies Act, 2013. Independent Directors are holding Directorship as per the limit specified in Regulation 25(1) of SEBI LODR Regulations, 2015. None of the director is a member of more than Ten Board level Committees or is Chairperson of more than Five such Board level Committees as required under Regulation 26(1) of SEBI LODR Regulations, 2015.

e. Disclosure of relationships between directors inter-se:

Sh. Jawahar Lal Oswal is the father of Sh. Kamal Oswal and Sh. Dinesh Oswal, Directors of the Company. Sh. Kamal Oswal and Sh. Dinesh Oswal are brothers. 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 and Convertible Instruments held by non-executive directors:

Sh. Dinesh Oswal and Kamal Oswal Non-Executive Promoter Directors are holding 105273 and 31500 equity shares of Rs. 5 each of the company respectively. Likewise Sh. Dinesh Gogna and Sh. Komal Jain Non- Executive Directors are holding 700 and 175 equity shares of Rs. 5 each of the company respectively. Prof. K.S Maini who is a Non- Executive Independent Director is also holding 28 equity shares of Rs. 5 each of the company. None of the other Non-Executive Director are holding any share and 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://www.owmnahar.com/nahar_polyfilm/pdf/Familiarizatio-Program-NPFL0001.pdf

h. Separate Meeting of Independent Directors:

The Company's Independent Directors met on 4th December, 2015, 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 Chairperson 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 Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

II. 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 LODR Regulations, 2015 and Section 177(4) of Companies Act, 2013.

b. Composition:

The Audit Committee comprises of three Non Executive Directors under the chairmanship of Dr. S. K. Singla. Sh. Dinesh Gogna a Non-Executive Director and Prof. K.S. Maini Independent Director are the two other members of the Audit Committee. Dr. S.K. Singla is a retired Prof.-cum-Head of Department of Business Management, Punjab Agricultural University, Ludhiana. He is having 32 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. Sh. Dinesh Gogna is also a senior corporate executive having 37 years of experience in Corporate Finance, taxation, Financial and Accounting matters. Likewise Prof. K.S. Maini who is Post Graduate in Commerce, is well versed with Accounting and Financial Matters. Mr. Atul Sud who is the secretary of the Committee has resigned and his resignation has been accepted by Board w.e.f. 12th August, 2016. To fill the vacancy, the Board in its meeting held on 12th August, 2016 has appointed Mrs. Nidhi Khande as Company Secretary cum Compliance Officer w.e.f. 12th August, 2016. Mr. Rakesh Kumar Jain who is Chief Financial Officer of the Company a permanent invitee of the company. The Statutory Auditors, Internal Auditors and Cost Auditors are also invited to attend the meetings, as per relevant provisions of the applicable laws/rules, as and when felt necessary.

c. Meetings and Attendance

During the financial year 2015-16, the committee met four times i.e. on 30th May, 2015, 5th August, 2015,10th November, 2015 and 10th February, 2016, for reviewing and adopting the quarterly un-audited financial results as well as the financial

statement for the year ended 31st March, 2015 before recommending the same to the Board of Directors for their perusal and adoption. The attendance record of the Audit Committee members during the year 2015-16 is as under:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. S.K. Singla	4	4
Sh. Dinesh Gogna	4	4
Prof. K.S. Maini	4	4

Sh. S.K.Singla, Chairman of the Audit Committee attended the last Annual General Meeting of the company held on 30th September, 2015 and replied/clarified the queries raised at the Annual General Meeting.

III. 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 (LODR) Regulations, 2015, 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 LODR Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee identifies the persons who are suitable and qualified enough to become the Directors and who can 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 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 carries out Evaluation of every Director's performance and also devise a policy on "Diversity of Board of Directors".

b. Composition:

The committee comprises of three Non Executive directors, Dr. S.K. Singla as chairman, Sh. Komal Jain and Dr. (Mrs.) H.K. Bal as members of the committee.

c. Meetings and Attendance:

The Nomination and Remuneration Committee met three times i.e. on 30.05.2015, 05.08.2015 and 21.03.2016 during the year under review. The attendance record of the Members at the meetings held during the year 2015-16 is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. S.K. Singla	3	3
Sh. Komal Jain	3	3
Dr. (Mrs. H.K. Bal)	3	3

d. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of parameters for evaluation includes education, knowledge, experience, expertise, skills, behaviour, 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.

REMUNERATION OF DIRECTORS

a. Pecuniary relationship or transactions of the Non-executive Directors vis-à-vis the Company:

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

b. 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 details of sitting fee paid to Non executive Directors are during the year 2015-16 is as follows:

Name of Director	Sitting Fee (Rs.)
Sh. Jawahar Lal Oswal	30,000.00
Sh. Dinesh Oswal	30,000.00
Sh. Kamal Oswal	40,000.00
Sh. Dinesh Gogna	40,000.00
Sh. Komal Jain	40,000.00
Dr. (Mrs.) H.K. Bal	30,000.00
Prof. K.S, Maini	40,000.00
Dr. S.K. Singla	40,000.00
Dr. Yash Paul Sachdeva	40,000.00
Dr. Amrik Singh Sohi	20,000.00
Dr. Vijay Asdhir	30,000.00
Total	**3,80,000.00**

c. 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 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:

i. Elements of remuneration package

The elements of remuneration package paid to Mr. Satish Kumar Sharma, Executive Director of the Company during the year 2015-16 is as follows:

Name of Director	Salary	Benefits	Bonuses	Stock Option	Pension	Total
Satish Kumar Sharma	1901798.00	91500.00	--	--	--	1993298

Pursuant to Section 197 & 198 read with Schedule V of the Companies Act, 2013, Rs. 1993298/- only has been paid as total remuneration for the year 2015-16 to Sh. Satish Kumar Sharma, Executive Director of the Company.

ii. 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.

iii. Service contracts, notice period, severance fees

The tenure of office of Executive Director is for three years from the 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.

iv. Stock option details

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

IV. 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 look into the complaints/grievances of shareholders in respect of transfer/transmission of shares, Non receipt of Dividend, Share Certificates, Demat and Annual Reports etc.

b. Composition:

The Committee consists of three non executive directors under the Chairpersonship of Dr. (Mrs.) H.K. Bal an Independent Director, Dr. A.S. Sohi an Independent Director and Mr. Komal Jain a Non-Executive Director are the other two members of the Committee.

c. Meetings and Attendance

The Committee met four times from 1st April, 2015 to 31st March, 2016 i.e. on 30th May, 2015, 5th August,2015, 10th November, 2015 and 10th February, 2016. The attendance record of members at the meetings held during the year 2015-16 is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Dr. (Mrs.) H.K. Bal	4	4
Sh. Komal Jain	4	4
Sh. A S Sohi	4	3

d. Name and Designation of Compliance Officer

Mr. Atul Sud Company Secretary was the Compliance Officer of the Company for the financial year 2015-2016. He has resigned from the post of Company Secretary w.e.f. 12th August, 2016 and Mrs. Nidhi Khande has been appointed as Company Secretary cum Compliance Officer of the Company w.e.f. 12th August, 2016.

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 with in 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 herebelow:

No. of complaints received during the year : 1

No. of complaints resolved during the year : 1

No. not solved to the satisfaction of shareholder : NIL

No. of complaints pending as on 31st March, 2016 : 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.gredressalnpfl@owmnahar.com.

OTHER COMMITTEES

V. SHARE TRANSFER COMMITTEE

The company has also constituted a share transfer committee comprising 4 members under the Chairmanship of Sh. Dinesh Oswal, Director of the

Company. 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, 2015 to 31st March, 2016 i.e. . 15th April, 2015, 30th April, 2015, 15th May, 2015, 30th May, 2015, 15th June, 2015, 30th June, 2015, 15th July, 2015, 31st July, 2015, 14th August, 2015, 11th September, 2015, 30th September, 2015, 15th October, 2015, 31st October, 2015, 16th November, 2015, 15th December, 2015, 31st December, 2015, 15th January, 2016, 30th January, 2016, 15th February, 2016, 29th February, 2016 and 16th March, 2016 The attendance of the members is as follows:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. Dinesh Oswal	21	18
Sh. Kamal Oswal	20*	20
Sh. Dinesh Gogna	21	19
Sh. Komal Jain	21	21
Sh. Atul Sud	21	21

*Sh. Kamal Oswal has resigned from the membership of the Committee w.e.f. 29.02.2016 due to his busy schedule.Further Mr. Atul Sud, Company Secretary of the Company, was the member of the Committee till 12th August, 2016, however, after his resignation from the post of Company Secretary. Mrs. Nidhi Khande has been appointed as Company Secretary cum Compliance Officer of the Company w.e.f. 12th August, 2016 and is also acting as member of Share Transfer Committee.

As per SEBI circular no. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002, 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.

VI CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted the Corporate Social Responsibility Committee as per provisions Section 135 read with Schedule VII of the Companies Act, 2013. The Committee consists of Sh. Dinesh Oswal, Chairman and Dr. S.K. Singla and Mr. Dinesh Gogna, Directors of the Company as members of the Committee.

The terms and reference of the Committee are:-

1. To Formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company as laid down in Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
2. To Recommend the amount of expenditure to be incurred on the CSR activities.
3. To Monitor the Company's CSR Policy and implementation of CSR projects from time to time.

During the year under review, the Committee met once i.e. on 04th June, 2015 and the attendance record of the meetings held is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. Dinesh Oswal	1	1
Dr. S.K.Singla	1	1
Sh. Dinesh Gogna	1	1

VII. RISK MANAGEMENT COMMITTEE:

As per the provisions of Regulation 21 of SEBI LODR Regulations, 2015, Top 100 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 the Regulation 21 is not applicable to the company. However, no business is free from Normal Business Risks i.e. Financial risk, Exchange risk, Crude Oil prices 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 become a globally competitive company.

VIII. GENERAL BODY MEETINGS

i) The details of the last three Annual General Meetings are as under:-

Financial year	Location	Date	Time
2012-2013	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	30.09.2013	10.45 A.M.
2013-2014	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	30.09.2014	10.45 A.M.
2014-2015	Premises Nahar Industrial Enterprises Ltd.,	30.09.2015	2.00 P.M.

Focal Point, Ludhiana

ii) Whether any Special Resolutions passed in the previous three Annual General Meetings:

2012-13

No Special Resolution was passed.

2013-14

1. To Borrow money in excess of Paid up Share Capital and Free Reserves.
2. To create mortgage and /or charge on Company's property.
3. Adopt a new set of Articles of Association.

2014-15

No Special Resolution was passed.

iii) Whether Special Resolution passed last year through postal ballot.

No special resolution was passed during the financial year ended 31.03.2016 through postal ballot.

iv) Person who conducted the postal ballot exercise:

Not applicable as no special resolution was passed during the financial year ended 31.03.2016 through postal ballot.

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

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

vi) Procedure for postal ballot.

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 LODR Regulation, 2015.

IX. MEANS OF COMMUNICATION

a. Quarterly Results:

The Company's quarterly results in the format prescribed by the SEBI LODR 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 i.e. Business Standard/ Financial Express in English and Dainik Jagran in vernacular.

c. Any website, where displayed:

Our Quarterly, Half yearly and Annual Results are also 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.

X. GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting

Date	:	September 30, 2016
Day	:	Friday
Time	:	2:00 P.M.
Venue	:	Prmises of Nahar Industrial Enterprises Limited, Focal Point Ludhiana.
2. Financial Year	:	The Financial year of the company covers 1st April, 2015 to 31st March, 2016
3. Dividend Payment	:	On or Before 15th October, 2016
4. Date of Book Closure	:	10th September, 2016 to 22nd September, 2016 (Both days inclusive)

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

The National Stock Exchange of India Ltd (NSE) "Exchange Plaza", 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East) Mumbai-400051

The B.S.E Limited, 25th Floor, P.J. Towers, Dalal Street, Mumbai - 400001. The listing fees payable to

BSE and NSE for 2016-17 have been paid in full by the Company.

6. **Stock Code :**

For trading at NSE: NAHARPOLY

For trading at BSE: 523391

7. **For Dematerialization** ISIN Number INE308A01027

The Annual Custodian Fees for the Financial Year 2016-17 have been paid to National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

8. **Dedicated e-mail for investor Grievances**

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

9. **Registration/ updation of e-mail address**

The Ministry of Corporate Affairs 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. The Companies can now send various notices and documents, including Annual Report, 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".

X 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, Low stock prices during the financial year April,2015 toMarch,2016 are as follows

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April, 2015	26.30	19.40	27.00	20.65
May, 2015	28.75	22.90	27.00	22.40
June, 2015	28.25	22.15	27.45	22.00
July, 2015	33.00	25.55	34.50	24.70
August, 2015	44.50	31.00	44.30	30.50
September,2015	43.00	29.20	38.90	30.20
October, 2015	64.00	34.70	64.45	34.50
November, 2015	62.30	43.45	62.50	43.25
December, 2015	57.00	43.40	56.90	43.10
January, 2016	66.60	44.40	65.00	43.00
February, 2016	56.95	25.70	54.70	26.00
March, 2016	33.30	28.35	34.30	27.35

Source: Data has been taken from the Website of the Bombay Stock Exchange and National Stock Exchange of India Ltd. The company does not have any other sources for verification of data.

XI. PERFORMANCE IN COMPARISION 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, 2015 to March, 2016 is as under:

Financial Year	Share Prices of the Company				BSE Sensex			
2015-16	Highest (Rs.)	Lowest (Rs)	Closing (Rs)	%age change over last month's closing	Highest (Rs.)	Lowest (Rs)	Closing (Rs)	%age change over last month's closing
April, 2015	26.30	19.40	24.05	16.75	29094.61	26897.54	27011.31	-3.38
May, 2015	28.75	22.90	24.05	0.00	28071.16	26423.99	27828.44	3.03
June, 2015	28.25	22.15	26.20	8.94	27968.75	26307.07	27780.83	-0.17
July, 2015	33.00	25.55	32.00	22.14	28578.33	27416.39	28114.56	1.20
August, 2015	44.50	31.00	33.35	4.22	28417.59	25298.42	26283.09	-6.51
Sept, 2015	43.00	29.20	37.00	10.95	26471.82	24833.54	26154.83	-0.49
Oct, 2015	64.00	34.70	59.40	60.54	27618.14	26168.71	26656.83	1.92
Nov, 2015	62.30	43.45	45.90	-22.73	26824.30	25451.42	26145.67	-1.92
Dec, 2015	57.00	43.40	52.90	15.25	26256.42	24867.73	26117.54	-0.11
January, 2016	66.60	44.40	51.60	-2.46	26197.27	23839.76	24870.69	-4.77
February, 2016	56.95	25.70	28.35	-45.06	25002.32	22494.61	23002.00	-7.51
March, 2016	33.30	28.35	32.70	15.34	25479.62	23133.18	25341.86	10.17

Source:-Data has been taken from the Website of the Bombay Stock Exchange Ltd. The company does not have any other sources for verification.

XII. 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.

XIII. REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENTS

As per SEBI circular no. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002, 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 whose address and telephone no.(s) etc. have already been mentioned in the Director's Report.

In case any query/complaint remains unresolved with our Registrar please write to 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 the shares are held in demat form. For this purpose, shareholders should approach their Depository Participant

XIV. SHARE TRANSFER SYSTEM

The company has constituted share transfer committee consisting of four members, namely Sh. Dinesh Oswal, Sh. Dinesh Gogna and Sh. Komal Jain, Directors of the Company and Sh. Atul Sud, Company Secretary of the Company. Sh. Kamal Oswal has shown his inability to attend the meetings of share transfer committee due to his busy schedule; he is therefore no longer the member of Share Transfer Committee w.e.f. 29.02.2016. Further Mr. Atul Sud, Company Secretary of the Company, was the member of the Committee till 12th August, 2016, however, after his resignation from the post of Company Secretary. Mrs. Nidhi Khande has been appointed as Company Secretary cum Compliance Officer of the Company w.e.f. 12th August, 2016 and is also acting as member of Share Transfer Committee.The share transfer committee meets once/twice in a month to approve the transfer/transmission/transposition, issue of duplicate share certificates and duly transferred shares are generally dispatched within the prescribed period under the Companies Act, 2013/Guidelines of the Stock Exchanges.

As required under clause 47 (C) of the Listing Agreement/Regulation 40(9) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges, a certificate is obtained every six month from a Practising Company Secretary with regard to inter alia, effecting transfer, transmission sub-division, consolidation, renewal & Exchange of equity shares with in fifteen days of their lodgement. The Certificates are forwarded to BSE & NSE where the equity share are listed.

XV. NOMINATION FACILITY

Individual shareholders holding physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his/her name. For further details, shareholders may write to the RTA of the Company.

XVI. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016

As on March 31, 2016 your Company had 24966 shareholders having a total of 24587991 equity shares. The following is the distribution of Shareholding.

No. of shares held	No. of Share holders	%of Share holders	Aggregate shares held holding	%age share
1-500	22643	90.70	3103329	12.62
501-1000	1570	6.28	1028767	4.18
1001-2000	389	1.56	571395	2.32
2001-3000	124	0.50	313256	1.27
3001-4000	59	0.24	207494	0.84
4001-5000	43	0.17	201755	0.82
5001-10000	68	0.27	502378	2.04
10000 and above	70	0.28	18659617	75.89
TOTAL	**24966**	**100.00**	**24587991**	**100.00**

XVI. The Shareholding pattern as on March 31, 2016 as follows:

Shares held by	No. of Shares	% of holding
Banks and Mutual Funds	3450	0.01
Foreign holdings (FIIs, NRIs)	105759	0.43
Bodies Corporate	848916	3.45
Directors/Relatives of Directors	3403	0.01
General Public	6375658	25.94
Promoters	17250805	70.16
TOTAL	**24587991**	**100.00**

XIX. DEMATERIALISATION 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, 2016, 2,28,39,191 comprising 92.89% 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.

XX. 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.

XXI. 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.

XXII. PLANT LOCATION : VILLAGE SARAKIAN/ ITAYAKALAN DISTT. RAISEN (M.P.)

XXIII. Address for Correspondence : NAHAR TOWER 376, Industrial Area-A, Ludhiana - 141 003 (Pb.)

Phone No. : 0161-2600701 to 2600705

Fax No. : 0161-2661180, 2222942

E-mail address : secnel@owmnahar.com

Website : www.owmnahar.com

XXIV. OTHER DISCLOSURES

a. 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 LODR Regulations, 2015. However, the details of transactions with the Group Companies are disclosed in Notes to the Financial Statements as per applicable provisions

b. 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.

c. 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 provide adequate safeguards against victimisation 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 : //www.owmnahar.com/nahar_polyfilm/pdf/VIGIL_MECHANISM0001.pdf

d. 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 LODR Regulations, 2015.

Besides, the Company has also complied with the non mandatory requirements in respect of Corporate Governance as specified Part E of Schedule II of SEBI LODR 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. Separate posts of Chairman and CEO: Mr. Jawahar Lal Oswal is the Chairman of the Company and Mr. Satish Kumar Sharma is Executive Director of the Company. Thus the post of Chairman and Executive Director are held by different persons.

iii. 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 LODR Regulations, 2015.

e. 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.

f. 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://www.owm nahar.com/nahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf

g. 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.

h. 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.

I. 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.

j. CEO and CFO Certification

As required under Regulation 17(8) of SEBI LODR 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 30.05.2016.

1. 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-paras (2) to (10) of Part C of Schedule V of SEBI LODR Regulations, 2015.

2. 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 LODR Regulations, 2015.

3. 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.

4. 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 JAWAHAR LAL OSWAL
DATED: 12TH AUGUST,2016 (CHAIRMAN)
DIN:00463866

ANNEXURE- VI

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments

Biaxially Oriented polypropylene (BOPP) films, a part of flexible packaging industry has emerged as one of the most popular high growth films in the world over a period of time. It plays a vital role in protecting and extending the shelf life of the end products ranging from biscuits, drugs, medicines, processed and semi-processed foods, vegetables, edible oils, etc. BOPP Films have become a preferred choice over various other substitutes available in the market like plastics, waxed papers and aluminum foils because of its characteristics of better shrinkage, stiffness, transparency, salability, recycleability etc. Global demand is increasing because of growth prospects in Asia particularly in China, India and Indonesia. India's economic growth coupled with rising middle class who looks for more sophisticated packed food and consumer goods, angur well for the growth of the industry.

Presently BOPP Films Industry is growing at a rate of 8-9% p.a. but with the increased demand of high-end packed products and with innovation of new applications, the BOPP Film industry is going to grow at a faster pace in the coming years. The revival of the Global economies will push the demand further.

Your Company established an ultra modern BOPP Film Project with a capacity of 30000 tpa, in the state of Madhya Pradesh. The Company is selling its products in domestic as well as export markets and has established its brand. Presently the company is exporting goods to United kingdom, United Arab Emirates, Bangladesh, Turkey, Oman, Tanzania, Nepal, Slovak Republic etc. The Company has performed reasonably well during the year under review. We assure you that continuous efforts will be made to further improve the performance of the Company.

Opportunities and Threats

The growing sale of packed food and rapid growth of retail market, has enabled the BOPP Films industry to register a reasonable growth. It has become a mature sector for various associates involved such as processors, packaging manufactures, raw material suppliers and end -user industries which include personal/domestic care products, manufactures of food & beverages and pharmaceuticals etc. The rapid urbanization, increasing health consciousness, changing food habits of people, who prefer packed foods, the demand of BOPP Films is going to rise in domestic as well overseas markets. The changing demographic trends and growth in the organized retailing will further push the BOPP Film Industry. Moreover India's large population is receptive to use of healthy and packaged food which in turn will result into continuous demand for BOPP films.

Besides the yield advantage of BOPP Films over polyester films have also had its impact in driving the market to shift from polyester films to BOPP Films. The large converters have already started working in this direction. This will give further impetus to growth of flexible packaging and will translate into new business opportunities for Industry.

Though the flexible packaging segment is growing but the per capita consumption is still very low as compared to the developed countries like US and European Union. Inspite of witnessing a reasonable growth the BOPP Films industry is not immune from normal business threats and challenges. We would like to inform you that company's product demand is sensitive to changes in industry capacity and output level, changes in consumer demand & global economic conditions. Because of the competitive plastic films business, company faces stiff competition both from international as well as domestic manufactures. The industry continues to be plagued by the problems of over capacity, short term over supply as well as raw material prices. Any significant change in the said factors will impact the performance of the Industry.

Segment wise or product wise performance

The disclosure requirements of Accounting Standard 17, issued by the Institute of Chartered Accountants of India are not applicable as the main business activities of the company fall under single segment.

Future Outlook

The future outlook of the BOPP Films industry seems to be reasonably good as the growth driver of the yester

years are still present in the Asian markets especially India. This will give a further push to the demand for the BOPP Films. 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.

Risk and Concerns

The company's main source of income will be from selling of BOPP film, a substrate in packaging material in plain and metalized from to further converters. Any adverse impact on the operations of the packaging converters may impact the company's revenues and its profitability. Likewise the business economic cycle can also affect the fortune of the company in both ways.

Polypropylene is the main raw material for the manufacture of BOPP film. Any change in the raw material prices and finished product prices may affect the performance of the company in both ways.

Internal Control Systems and their adequacy

The company has adequate internal control systems and procedures which commensurate with the nature of its business and the size of its operations. The internal control system are adequate to ensure that all assets and resources of the company are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The company also ensures compliance with all statutes and regulatory policies and guidelines.

Further the company is also having internal audit department which carries out audit work throughout the year. The main objective of such audit is to test the adequacy and effectiveness of internal control systems laid down by the Management and to suggest improvement in the systems.

Besides, 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 audit committee met four times during the financial year under review.

Financial/operation performance

During the year company has performed reasonably well. On Standalone basis the company achieved an operative income of Rs.293.59 crores out of which Rs.6.83 crores is export turnover. The company earned a net profit of Rs. 11.65 crores as against 4.54 crores in the previous year. The detailed performance (Standalone as well as Consolidated) has already been discussed in the Directors report under column operational review.

Human Resources/Industrial Relations

Beyond Balance Sheet lies company's singly biggest Asset Human Resources. The company is of firm belief that the Human Resources are the driving force that propels a company towards progress and success. The company has a team of able and experienced professionals to look after the affairs of the company. The company offers attractive compensation package to retain and motivate its professionals so that they can give their best. The total permanent employee's strength of the company was 176 as on 31st March, 2016.

Cautionary Statement

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA **JAWAHAR LAL OSWAL**
DATED: 12th August, 2016 **(Chairman)**
DIN: 00463866

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 (as defined in the Regulation 34 of the company have affirmed compliance with Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2016.

PLACE : LUDHIANA
DATED : 12th August,2016

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

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Nahar Poly Films Limited

We have examined the compliance of conditions of corporate governance by NAHAR POLY FILMS LIMITED for the year ended 31st March, 2016 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 Gupta Vigg & Co.,
Chartered Accountants
Firm Reg. No. 001393N

VINOD KUMAR KHANNA
(Partner)
M.No. 81585

Place: Ludhiana
Dated: 12th August,2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

M/s. NAHAR POLY FILMS LIMITED

LUDHIANA

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s Nahar Poly Films Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
   d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   e. on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
   f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes to the 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.

For GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana **VINOD KUMAR KHANNA**
Dated : 30.05.2016 **(Partner)**
M.No.: 081585

ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

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/ parties 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 section 185 and 186 of the Act, with respect to the loans and investments made.

v) According to information and explanation given to us, The Company has not accepted any deposits from the public during the year covered under the provisions of section 73 or 76 or any other relevant provisions of the Companies Act, 2013.

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) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, there are no dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes.

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 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 GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana **VINOD KUMAR KHANNA**
Dated : 30.05.2016 **(Partner)**
M.No.: 081585

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Nahar Poly Films Ltd("the Company") as of 31 March 2016 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana
Dated : 30.05.2016

VINOD KUMAR KHANNA
(Partner)
M.No.: 081585

CASH FLOW STATEMENT FOR THE PERIOD FROM 1ST APRIL, 2015 TO 31ST MARCH, 2016

			(In Rs.)
A.	**CASH FLOW FROM THE OPERATING ACTIVITIES**		
	Net Profit before Tax and Extraordinary items	175659244	
	Adjustments for: -		
	Depreciation	220065335	
	Interest Expenditure	78978054	
	Interest Received	-2232024	
	Dividend	-16832692	
	(Profit)/Loss on Sale of Investments	-466743	
	(Profit)/Loss on sale of Fixed Assets	0	
	Operating profit before Working Capital changes		455171174
	Adjustments for :		
	(Increase)/Decrease in Inventories	15341983	
	(Increase)/Decrease in Trade & Other Receivables	32064829	
	(Increase)/Decrease in Short Term Loans & Advances	52566188	
	(Increase)/Decrease in Security Deposit	6000	
	Increase/(Decrease) in Trade Payables & Short Term Others Liabilities	11912061	
	Increase/(Decrease) in Working Capital Bank Borrowing	-281003150	-169112089
	Cash generation from operating activities		286059085
	Interest Paid on Working Capital and others		-17024956
	Taxes (Paid)/Refund		-30050240
	Net cash from operating activities		238983889
B.	**CASH FLOW FROM THE INVESTING ACTIVITIES**		
	Interest Received	2232024	
	Dividend Received	16832692	
	Purchase of Fixed Assets (incl Capital work in process, capital advances, & exp pending for capitalisation)	-2039003	
	Sale of Fixed Assets	0	
	Purchase of Investments	-146777000	
	Sale of Investments	125466743	-4284544
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Increase/Decrease in Share Capital/Reserve	0	
	Share Premium	0	
	Proceeds from Long Term Borrowings	0	
	Repayment of Long Term Borrowings	-174349948	
	Interest Paid on Term Loans	-61953098	
	Increase/(Decrease) in Other Long Term Liabilities	0	
	Dividend Paid (including Corporate Dividend Tax)	0	-236303046
	Net Increase in Cash and Cash Equivalent		-1603701
	Cash & cash equivalents as on 31/03/2015		4078044
	Cash & cash equivalents as on 31/03/2016		2474343

Place : Ludhiana
Date : 30.05.2016

FOR AND ON BEHALF OF THE BOARD

ATUL SUD	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
Company Secretary	Chief Financial Officer	Director DIN: 00607290	Executive Director DIN: 00402712

AUDITOR'S CERTIFICATE

We have checked the above Cash Flow Statement of Nahar Poly Films Limited, derived from the audited financial statements for the year ended 31st March, 2016 with the books and records maintained in the ordinary course of business and found the same in accordance therewith.

For GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana
Dated : 30.05.2016

VINOD KUMAR KHANNA
(Partner)
M.No.:081585

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	Current Year ₹	Previous Year ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	**125776643**	125776643
Reserves and surplus	2	**1463920489**	1362186142
		1589697132	1487962785
Non-current liabilities			
Long-term borrowings	3	**260103651**	434453599
Deferred Tax Liabilities (Net)	4	**34794619**	10345217
		294898270	444798816
Current liabilities			
Short-term borrowings	5	**18139644**	299142794
Trade payables	6	**35872794**	39903989
Other current liabilities	7	**224961644**	209018388
Short-term provisions	8	**24798045**	6571370
		303772127	554636541
TOTAL		**2188367529**	2487398142
ASSETS			
Non-current assets			
Fixed assets	9		
Tangible assets		**671713928**	889160773
Intangible assets		**0**	20799
Non-Current Investments	10	**985679509**	963902509
Long-Term Loans and Advances	11	**18776895**	19341583
		1676170332	1872425664
Current assets			
Inventories	12	**79147736**	94489719
Trade receivables	13	**278055747**	310120576
Cash and cash equivalents	14	**2474343**	4078044
Short-term loans and advances	15	**145683846**	198250034
Other current assets	16	**6835525**	8034105
		512197197	614972478
TOTAL		**2188367529**	2487398142
Accounting Policies			
Notes on Financial Statement	1 to 31		

As per our Report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants
FRN 001393N

FOR & ON BEHALF OF THE BOARD

Place : LUDHIANA
Date : 30.05.2016

VINOD KUMAR KHANNA
Partner
M.No.081585

ATUL SUD
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
Director
DIN:00607290

S.K. SHARMA
Executive Director
DIN:00402712

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31.03.2016

Particulars	Note No.	Current Year	Previous Year
		₹	₹
Revenue from operations	17	**2935930787**	3344921154
Less: Excise Duty		**-318242230**	-311244206
Operating Income		**2617688557**	3033676948
Other income	18	**27733150**	32363374
		2645421707	3066040322
Expenses:			
Cost of materials consumed	19	**1735630936**	2132262302
Purchases of Stock-in-Trade		**0**	0
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	**23969576**	57314391
Employee benefits expense	21	**62708696**	57770036
Finance costs	22	**79799745**	131156014
Depreciation and amortization expense	9	**220065335**	217212414
Other expenses	23	**347588175**	394402050
Total expenses		**2469762463**	2990117207
		175659244	75923115
Tax expense:			
Current tax		**-34724000**	-11700000
Deferred tax		**-24449402**	-18849339
Profit (Loss) For The Period		**116485842**	45373776
Earnings per equity share:	27		
Basic and Diluted		**4.74**	1.85
Accounting Policies			
Notes on Financial Statements	1-31		

As per our Report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants
FRN 001393N

FOR & ON BEHALF OF THE BOARD

Place : LUDHIANA
Date : 30.05.2016

VINOD KUMAR KHANNA
Partner
M.No.081585

ATUL SUD
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
Director
DIN:00607290

S.K. SHARMA
Executive Director
DIN:00402712

1. **SIGNIFICANT ACCOUNTING POLICIES**

i) **ACCOUNTING CONVENTION**

The Financial Statements are prepared on accrual basis under the historical cost convention in accordance with the accounting standards notified under the relevant provisions referred to in Companies Act, 2013 and other relevant provisions of the said Act.

ii) **REVENUE RECOGNITION**

a) Sale of Goods: Sale of goods is recognized at the point of dispatch of finished goods to the customers and all the significant risks and rewards of the ownership are transfer to the buyer and the company retains no effective controll and no uncertainty exists regarding the recovery of amount. Sales value is inclusive of excise duty wherever applicable paid on the clearance of finished goods.

b) Exports Benefits: Revenue in respect of exports benefits being DEPB / Duty Drawback Scheme is recognized on post export bases.

c) Dividend Income: Dividend income is recognized when the Company's right to receive payment is established.

d) Investment Income: Profit/loss arising on sale of investments is considered at the time of sale/redemption.

e) Interest Income: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

f) Insurance Claims: Insurance Claims are recognized at the time of occurrence of an event if it is reasonable ascertained

iii) **FIXED ASSETS AND DEPRECIATION**

a) **Tangible assets:** Tangible assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Depreciation is charged on Straight Line bases as per the Useful life specified in schedule-II of the Companies Act, 2013

b) **Intangible Assets:-** Intangible assets are stated at cost less accumulated amount of amortization. Such asset are amortized on Straight Line Bases on the estimated useful life.

iv) **INVESTMENTS**

Long term investments are stated at cost. Diminution in value of investments, if any has not been considered being temporary in nature.

v) **INVENTORIES**

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

- **Raw Material:** Moving weighted average cost plus direct expenses.
- **Stores and Spares:** Moving weighted average cost.
- **Work-in-process:** Cost of raw material plus appropriate share of manufacturing expenses and other relevant overheads.
- **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.
- **Wastage and rejections:** At net realizable value.

vi) **EXPENDITURE INCURRED DURING CONSTRUCTION PERIOD**

All the indirect expenses incurred during construction period up to the date of commencement of commercial production will be capitalized on various categories of fixed assets on proportionate bases.

vii) **RETIREMENT BENEFITS**

a) **Gratuity**

The Company has taken a Group Gratuity Policy from LIC of India to discharge its liability of Gratuity. The

calculation of premium under the policy is made on the basis of actuarial valuation done by LIC.

b) Provident Fund

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 Profit and Loss account.

viii) FOREIGN EXCHANGE TRANSACTIONS

a) Gain or loss on foreign exchange transactions which are relating to fixed assets acquired from a country outside India are adjusted in the cost of relevant fixed asset. Other gains or losses on foreign exchange transactions are recognized in the Profit & Loss Account. Monetary assets and liabilities other than those covered by forward contracts have been valued at the exchange rates prevailing at the close of the financial year

b) In respect of forward contracts, forward premium or discount arising at the inception of forward contract, any profit/loss arising on cancellation renewal of such contracts and exchange difference on such contracts if pertaining to fixed assets acquired from a country outside India only are adjusted in the cost of relevant fixed asset. Other premiums/discounts at inception of contracts and profit/loss on cancellation/renewal of contracts are recognized in profit & loss account in the year in which exchange rates change.

ix) EXCISE DUTY

Excise duty payable on finished goods, if any, is accounted for on clearance of goods from the factory. Cenvat in respect of excise duty paid on raw material, stores and capital goods is taken, in accordance with the Cenvat Credit Rules 2004 as amended.

x) WARRANTY CLAIMS

As per the nature of business of the company, the question of warranty claims does not arise. The routine claims on account of quality or quantity logged with the company other than those which are disputed one, are accounted for as and when accepted by the company.

xi) ACCOUNTING FOR TAXES ON INCOME

The accounting treatment followed for taxes on income is to provide for Current Tax and Deferred Tax. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period. Deferred Tax is the tax effect of timing differences.

xii) IMPAIRMENT OF ASSETS

At each Balance Sheet date, an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.

xiii) BORROWING COST

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

xiv) GOVERNMENT GRANTS / SUBSIDY

Government grants/subsidies are recognized, when there is a reasonable assurance that the company will comply with the conditions attached to them and the grants/subsidy will be received. The government grants/subsidy received for specific asset is reduce from the cost of asset and other grants are shown as income.

xv) PROVISION AND CONTIGENT LIABILITIES

a) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if :

- the company has a present obligation as a result of past event.
- a probable outflow of resources embodying economic benefits is expected to settle the obligation and
- the amount of the obligation can be reliably estimated.

b) Contingent Liability is disclosed in case of :

- a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

The previous year figures have been regrouped/ reclassified, wherever necessary to confirm the current year presentation.

1.1 SHARE CAPITAL

Particulars	Current Year		Previous Year	
	Number	₹	Number	₹
AUTHORISED				
Equity Shares of ₹ 5/- each	90000000	450000000	90000000	450000000
ISSUED, SUBSCRIBED & PAID UP				
Equity Shares of ₹ 5/- each	24587991	122939955	24587991	122939955
Share Forefited Account		2836688		2836688
Total	**24587991**	**125776643**	**24587991**	**125776643**

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

Particulars	Equity Shares	
	Number	₹
Shares outstanding at the beginning of the year	24587991	122939955
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	24587991	122939955

1.3 The company is not having any holding as well as subsidiary company.

1.4 Name of Shareholders holding more than 5% shares of the company.

Name of Shareholder	Current Year		Previous Year	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
M/s Nahar Capital & Financial Services Limited	12087671	49.161	12087671	49.161
M/s Nahar Industrial Enterprises Limited	1264720	5.144	1264720	5.144
M/s Nahar Spinning mills Limited	1247063	5.072	1060620	4.314

1.5 a) The company has not issued any shares in persuance to contract(s) without payment being received in cash during five year immediately preceding the date as at which the Balance Sheet is prepared.

b) The company has not issued any fully paid up Bonus Shares during five year immediately preceding the date as at which the Balance Sheet is prepared.

c) The company has not bought back any Shares during five year immediately preceding the date as at which the Balance Sheet is prepared.

1.6 Shares Forfeited

Number of shares 349336

Amount 2836688

The above shares are forfeited in financial year 2006-07 upon non payment of calls.

2. Reserves & Surplus

Particulars	Current Year	Previous Year
	₹	₹
Securities Premium Account	447800146	447800146
General Reserve		
Opening Balance	866818046	867303390
Depreciation as per Note 9(e) (Net of Deferred Tax)	-	(485344)
Current Year Transfer	149200000	
Closing Balance	1016018046	866818046
Surplus:		
Opening Balance	47567950	3158703
Profit (Loss) for the year	116485842	45373776
Income Tax Adjustments for prior periods	45313	(964529)
Transfer To General Reserve	(149200000)	-
Provision for Proposed Dividend	(12293996)	-
Provision for Tax on Proposed Dividend	(2502812)	-
Balance c/f to Balance Sheet	102297	47567950
Total	**1463920489**	1362186142

3. Long Term Borrowings

Particulars	Current Year	Previous Year
	₹	₹
Term loans		
From banks*		
- Oriental Bank of Commerce	172522352	287549000
- Bank of Maharashtra	-	146904599
- Punjab National Bank	87581299	-
Total	**260103651**	434453599

*The Term loan is secured by way of first charge (on pari passu basis) on factory land and building and hypothecation of Plant and Machinary and other movable / immovable fixed assets acquired / to be acquired under the project of BOPP plant at Mandideep, Bhopal. It is further secured by Second pari pasu charge on current assets of the company. The Term Loan is personally guaranted by a Director of the Company and corporate guarantee of Rs. 25.00 crores (Oriental Bank of Commerce) and Rs.15.00 Crores (Punjab National Bank previous year Bank of Maharashtra) given by M/s. Nahar Spinning Mills Ltd.

The above Term Loans are repayable in 32 equal quarterly installments starting from 31.12.2010."

4. Deferred Tax Liability (net of assets)

Particulars	Current Year	Previous Year
	₹	₹
Deferred Tax Liability		
Timing difference on account of Depreciation, change in rate of Tax etc.	35912105	75570611
Deferred Tax Asset		
Timing Difference on Account of c/f unabsorbed depreciation	-	64309211
Timing Difference on account of allowances under section 43B	1117486	916183
Total	**34794619**	**10345217**

5. Short Term Borrowings

Particulars	Current Year	Previous Year
	₹	₹
Working Capital Loans from banks	18139644	299142794
Total	**18139644**	**299142794**

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

6. Trade Payables

Particulars	Current Year	Previous Year
	₹	₹
Sundry Creditors	35872794	39903989
Total	**35872794**	**39903989**

There are no Micro & Small enterprises covered under Micro, Small and Medium Scale Development Act 2006, to whom the company owes dues, which are outstanding for more than 45 days, hence no disclosure has been given. This information has been determined to the extent such parties, which have been identified by the company.

7. Other Current Liabilities

Particulars	Current Year	Previous Year
	₹	₹
Current maturities of long-term debt	174220000	174055600
TDS Payables	955910	978732
Statutory Liabilities	2865885	1547185
Other Liabilities	24991232	18227572
Advance from customers	20257634	11911872
Security Deposits	123331	125047
Due to Directors	63764	114880
Unpaid dividends	1483888	2057500
Total	**224961644**	209018388

8. Short Term Provisions

Particulars	Current Year	Previous Year
	₹	₹
Proposed Dividend	12293996	-
Dividend Distribution Tax	2502812	-
Provision for Current Year Income Tax (Net of Advance Tax)	10001237	6571370
Total	**24798045**	6571370

9. Fixed Assets

	Particulars	Gross Block				Depreciation				Net Block	
		As on 01.04.15	Additions 2015-16	Sales/ Adj	As on 31.03.16	As on 01.04.15	Additions 2015-16	Sales/ Adj	As on 31.03.16	As on 31.03.16	As on 31.03.15
A	**TANGIBLE ASSETS**										
	LAND & BUILDING										
	- LAND	17653165	0	0	17653165	0	0	0	0	17653165	17653165
	- BUILDING	246332460	0	0	246332460	40163236	13159145	0	53322381	193010079	206169224
	SUB TOTAL (A)	263985625	0	0	263985625	40163236	13159145	0	53322381	210663244	223822389
	PLANT & MACHINERY										
	- MACHINERY	1387756968	1402128	0	1389159096	726750675	206169661	0	932920336	456238760	661006293
	- VEHICLES	2297929	1033606	0	3331535	514282	320498	0	834780	2496755	1783647
	- OTHER EQUIPMENTS	5324948	106827	0	5431775	3406437	290226	0	3696663	1735112	1918511
	SUB TOTAL (B)	1395379845	2542561	0	1397922406	730671394	206780385	0	937451779	460470627	664708451
	FURNITURE & FIXTURES										
	- FURNITURE & FIXTURES	1334888	55130	0	1390018	704955	105006	0	809961	580057	629933
	SUB TOTAL (C)	1334888	55130	0	1390018	704955	105006	0	809961	580057	629933
	TOTAL (TANGIBLE ASSETS)	1660700358	2597691	0	1663298049	771539585	220044536	0	991584121	671713928	889160773
B	**INTENGIBLE ASSETS**										
	- SOFTWARE	415981	0	0	415981	395182	20799	0	415981	0	20799
	TOTAL (INTENGIBLE ASSETS)	415981	0	0	415981	395182	20799	0	415981	0	20799
C	**CAPITAL WIP**									NIL	NIL
	TOTAL (CURRENT YEAR)	1661116339	2597691	0	1663714030	771934767	220065335	0	992000102	671713928	889181572
	TOTAL (PREVIOUS YEAR)	1624308859	37998709	1191229	1661116339	554467749	217930857	463839	771934767	889181572	1077901613

a) There are no intengible assets under development as on 31.03.2016 as well as on 31.03.2015.

b) At each Balance Sheet date, an assessment is made whether any indication exists that an asset has been impaired. If any such

indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.

c) All the indirect expenses incurred during construction period upto the date of commencement of commercial production are capitalized on various categories of fixed assets on proportionate bases.

d) No borrowing cost has been capitalized during the current as well as in previous financial year.

e) In previous year Fixed Assets have been revised in accordance with Schedule II to The Companies Act, 2013 and based on the transitional provisions provided in Note 7 (b) of schedule – II to the act, an amount of Rs.485344 (Depreciation Rs.718443 reduced by Rs.233099 being Deferred Tax Asset thereon) has been reduced from retained earnings in respect of assets having no useful life as on 1st April 2014 and is included in the figure of depreciation during the year 2014-15 and is not shown separately in the above chart.

10. Non Current Investments

Particulars	Current Year	Previous Year
	₹	₹
Other Investments		
(a)Investment in Equity instruments	963902509	963902509
(b)Investment in debentures and bonds	21777000	-
Total	**985679509**	**963902509**

Particulars	Current Year	Previous Year
	₹	₹
Aggregate amount of quoted investments (Market value of ₹ 1183030323/- ,Previous Year Market value of ₹ 1144061238/-)	985679509	963902509
Aggregate amount of unquoted investments	-	-

Details of Other Investments

Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity / Others	No. of Shares/ Units		Quoted / Un-quoted	Partly Paid/ Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost	If Answer to Column (9) is 'No' - Basis of Valuation
		C. Year	P. Year			C. Year	P. Year	C. Year	P. Year		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Investment in Equity Instruments											
M/s. Nahar Capital & Financial Services Limited	Associate	6611632	6611632	Quoted	Fully paid	39.481%	39.481%	367315961	367315961	Yes	N.A.
M/s. IDFC Limited	Others	5000	5000	Quoted	Fully paid	-	-	102986	170000	Yes	N.A.
M/s. IDFC Bank Ltd.	Others	5000		Quoted	Fully paid	-	-	67014		Yes	N.A.
M/s. Nahar Spinning Mills Limited	Related Company	6902244	6902244	Quoted	Fully paid	19.138%	19.138%	381415718	381415718	Yes	N.A.
M/s. Nahar Industrial Enterprises Limited	Related Company	2708800	2708800	Quoted	Fully paid	6.706%	6.706%	215000830	215000830	Yes	N.A.
IRFC TAX FREE BOND	Others	11757	--	Unquoted	Fully paid	--	--	11757000	--	Yes	N.A.
NABARD TAX FREE BONDS	Others	10020	--	Unquoted	Fully paid	--	--	10020000	--	Yes	N.A.
Total								**985679509**	**963902509**		

11. Long Term Loans & Advances

Particulars	Current Year	Previous Year
	₹	₹
Capital Advances	-	558688
Security Deposits	18776895	18782895
Total	**18776895**	**19341583**

12. Inventories

Particulars	Current Year	Previous Year
	₹	₹
a. Raw Materials and components	28380107	18723714
b. Work-in-progress	28410315	54657013
c. Finished goods	3904530	1330147
d. Waste/Scrap Material	214348	511610
e. Stores and spares	18238436	19267235
Total	**79147736**	**94489719**

13. Trade Receivables

Particulars	Current Year	Previous Year
	₹	₹
Trade receivables outstanding for a period less than six months from the date they are due for payment		
- Unsecured, considered good	275786164	307671141
	275786164	307671141
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered good	2269583	339383
- Unsecured, considered doubtful	-	2110052
Total	**278055747**	**310120576**

No trade receivables stated above include debts due by directors, Other officers of the company, firm in which director is a partner or private company in which director is a member. (Previous Year Same).

14. Cash and cash equivalents

Particulars	Current Year	Previous Year
	₹	₹
a. Balances with banks		
This includes:		
- In Current Accounts	189669	1627586
- Earmarked Balances (eg/- unpaid dividend accounts)	1483888	2057500
- Margin money FDR#	263252	186393
b. Cash on hand	537534	206565
Total	**2474343**	**4078044**

 # Maturity period of fixed deposits are more than 12 months

15. Short-term loans and advances

Particulars	Current Year	Previous Year
	₹	₹
MODVAT / Cenvat CredIt Unutilised	5241276	27078964
Others Unsecured, considered good	140442570	171171070
Total	**145683846**	**198250034**

No Short-term loans and advances stated above include debts due from Directors, Other officers of the company, firms in which director is a partner or private company in which director is a member. (Previous year Same)

16. Other Current Assets

Particulars	Current Year	Previous Year
	₹	₹
Advance Taxes (Net of Provisions)	6835525	8034105
Total	**6835525**	**8034105**

17. Operating Income

Particulars	Current Year	Previous Year
	₹	₹
Operating Income:		
Export Sales	68349094	434462336
Domestic Sales	2813899596	2852326566
	2882248690	3286788902
Less:		
Excise Duty	318242230	311244206
Net Sales	2564006460	2975544696
Export Incentives	1930435	7687677
OPERATING INCOME	2565936895	2983232373
Other Operating Income:		
Sales Miscellaneous	6856119	6653556
Others	44895543	43791019
	51751662	50444575
Total	**2617688557**	**3033676948**

17.1 Detail of Sales

Particulars	Current Year	Previous Year
	₹	₹
EXPORT SALES		
- Direct Export of BOPP Film	68349094	434462336
Local Sales		
- Deemed Export of BOPP Film	97826651	113884887
- BOPP Film	2707658954	2720574858
- BOPP Other (Incl.Waste)	8413991	17866821
- Other (Misc.Scrap)	6856119	6653556
Total	**2889104809**	**3293442458**

18. Other Income

Particulars	Current Year	Previous Year
	₹	₹
Dividend Income (From Longterm Investments)	16832692	19541492
Interest Gross	2232024	1823464
Profit on Sale of Investments	466743	4689923
Misc. Receipts	6535109	4115956
Prior Period Items	1660268	2192539
Exchange Rate Difference	6314	-
Total	**27733150**	**32363374**

19. Cost of Raw Material Consumed

Particulars	Current Year	Previous Year
	₹	₹
Opening Stock of Raw Material	18723714	35149083
Raw Material Purchases (Net of Sales)	1745287329	2115836933
Closing Stock of Raw Material	28380107	18723714
Raw Material Consumed	**1735630936**	**2132262302**

19.1 Detail of Raw Material Consumed

Particulars	Current Year	Previous Year
	₹	₹
PP Resins and Additives	1735630936	2132262302

20. Change in Inventories of Finished Goods, Work in Progress and Stock in Trade

Particulars	Current Year	Previous Year
	₹	₹
OPENING STOCK		
- Finished Goods	1841757	58140190
- Work in Progress	54657013	55672971
	56498770	113813161
CLOSING STOCK		
- Finished Goods	4118879	1841757
- Work in Progress	28410315	54657013
(Increase) /Decrease in Finished Goods & WIP Stock	**23969576**	**57314391**

20.1 Detail of Opening and Closing Stock of Goods Produced and Traded in

Particulars	Current Year	Previous Year
	₹	₹
OPENING STOCK		
BOPP Films	1330147	57680414
Waste	511610	459776
CLOSING STOCK		
BOPP Films	3904530	1330147
Waste	214349	511610

21. Employee Benefits Expenses

Particulars	Current Year	Previous Year
	₹	₹
Salary Wages And Bonus	52493784	48235144
Contribution To PF,ESI, Group Insurance & Gratuity	5866917	5401139
Employee Welfare Exp.	4347995	4133753
TOTAL	**62708696**	**57770036**

21.1 The Employee's Gratuity fund scheme is managed by LIC. The following Table set out the funded status of the gratuity plan recogonized as per the company's financial statement as at 31.03.2016

S.No.	Particulars	Current Year	Previous Year
		₹	₹
1	Assumptions		
	Discount Rate	8%	8%
	Salary Escalation	7%	7%
	Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)

2	Reconciliation of Opening and Closing balances of defined benefit obligation:		
	Present value of obligations as at the beginning of the year	7092778	5527832
	Interest Cost	567422	442227
	Current Service Cost	1389708	1176176
	Benefit Paid	(147213)	0
	Acturial (gain/(Loss) on obligations	(167610)	(53457)
	Present value of obligations as at the end of the year	8735085	7092778
3	Reconciliation of Opening and Closing balances of plan assets:		
	Fair value of plan as at the beginning of year	7176741	5611795
	Returns on plan asset	642728	516632
	Contributions	1146792	1048314
	Benefit Paid	(147213)	0
	Acturial (gain/(Loss) of Plan Asset	0	0
	Fair value of plan as at the end of year	8819048	7176741
4	Reconciliation of fair value of assets and obligations:		
	Present Value of obligations as at the end of year	8735085	7092778
	Fair value of plan as at the end of year	8819048	7176741
	Net Asset/(Liability) recognized in the Balance Sheet	(83963)	(83963)
5	Expenses Recognized in statement of Profit & Loss		
	Current Service Cost	1389708	1176176
	Interest Cost	567422	442227
	Expected return on plan asset	(642728)	(516632)
	Net Acturial (gain)/loss recognised in the year	(167610)	(53457)
	Expenses Recognized in statement of Profit & Loss	1146792	1048314

22. Financial Expenses

Particulars	Current Year	Previous Year
	₹	₹
Interest expense		
- Interest To Banks		
- On Working Capital	17020792	33807365
- On Term Loans	61953098	88119492
- Interest to Others	4164	8775099
Other borrowing costs	821691	454058
Total	**79799745**	**131156014**

23. Other Expenses

Particulars	Current Year	Previous Year
	₹	₹
MANUFACTURING EXPENSES (A)		
Power And Fuel	150813152	163725620
Dyes & Chemicals	316586	238856
Machinery Repair And Maintenance	17775519	14122407
Entry Tax on Purchase of Goods	15866101	192466
Other Manufacturing Expenses	1140382	1725257
Total (A)	**185911740**	**180004606**
SELLING EXPENSES (B)		
Advertisement	-	15930
Brokerage/Commission On Sale	4180728	2926813
Export Development And Sale Promotion	435320	48471
Packing & Forwarding Charges	114848972	154146438

Foreign Travelling Expenses (Others)	21043	442659
Rebate & Discount	20481522	17642545
Commission On Export Sales	2284551	10247074
Other Selling Expenses	151223	8485461
Total (B)	**142403359**	**193955391**
EXCISE DUTY ON CLOSING STOCK (C)	**63205**	**204363**
ADMINISTRATIVE EXPENSES (D)		
Vehicle Maintenance	720903	631372
Conveyance	801447	994426
Rent	185490	175281
Fees And Taxes	768173	687878
Insurance	5133221	6063086
Legal And Professional Expenses	1472569	1580962
Printing And Stationery	571648	390803
Postage And Telegraph	198804	330636
Miscellaneous Expenses	1888278	1937082
Directors Sitting Fees	380000	365000
Travelling Expenses		
Directors	25124	31282
Others	1010140	1009646
Auditors Remuneration		
Audit Fees	223962	209327
Tax Audit Fees	42522	41910
Certification Charges	25793	4050
Other Expenses	-	3677
Telephone Expenses	605765	667170
Share Department Exp	272515	219590
Total (D)	**14326354**	**15343178**
OTHER EXPENSES (E)		
Building Repair & Maintenance	628165	142979
General Repair & Maintenance	1068923	1194394
Loss On Sale Of Fixed Assets	-	32278
Amount Written Off	2236112	999919
Previous Year Expenses	238188	642152
Previous Year Income Written Back	-	132712
Bank Charges	649948	1666726
Exchange Rate Difference	-	83352
Fines & Penalties	62181	-
Total (E)	**4883517**	**4894512**
Total (A to E)	**347588175**	**394402050**

24. Value of Imported and Indigenious Raw Materials, Stores, Spare Parts and Components Consumed

Particulars	Current Year ₹	% Age of Cons.	Previous Year ₹	% Age of Cons.
Raw Material				
- Imported	98268922	5.66%	131845866	6.18%
- Indigenous	1637362014	94.34%	2000416436	93.82%
Spare Parts, Stores and Components				
- Imported	7593672	10.55%	8450805	8.14%

- Indigenous	64412212	89.45%	95366446	91.86%

25. CIF Value of Imports

Particulars	Current Year	Previous Year
	₹	₹
Raw Materials	92300262	124504318
Stores and Spares	8108595	6932620

26. Expenditure in Foreign Currency

Particulars	Current Year	Previous Year
	₹	₹
Foreign Travelling	-	179441
Commission on Export Sales	-	7289772
Subscription Expenses	666564	292065

27. Earning Per Share

The calculation of Earnings per Share (EPS) as disclosed in the Balance Sheet Abstract has been made in accordance with Accounting Standard (AS)-20 on 'Earnings per Share' issued by the Institute of Chartered Accountants of India.

Particulars	Current Year ₹	Previous Year ₹
BASIC AND DILUTED		
Earning per share has been computed as under:		
BASIC		
a) Profit after Taxation	116531155	44409247
b) Number of weighted average shares outstanding	24587991	24587991
c) Earning per share (face value Rs. 5/- per share)	4.74	1.81
DILUTED		
a) Profit after Taxation	116531155	44409247
b) Number of weighted average shares outstanding	24587991	24587991
c) Earning per share (face value Rs. 5/- per share)	4.74	1.81

28. Earning In Foreign Exchange

Particulars	Current Year	Previous Year
	₹	₹
FOB value of Exports	66523466	414116258

29. Related Party Disclosure:

Detail of transactions entered into with related parties during the period as required by Accounting Standard 18 on Related Party Disclosures' issued by the Institute of Chartered Accountants of India are as under:

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.	Inter Corporate Deposits Received	-	-	-	200300000	-	-
2.	Inter Corporate Deposits repaid back	-	-	-	200300000	-	-
3.	Interest Paid	-	-	-	8732114	-	-
4.	Fixed Assets Sold	-	-	-	-	-	-
5.	Misc.Sales	-	-	171501	20561	-	-
6.	Directors Sitting Fee	-	-	-	-	100000	95000
7.	Directors Remuneration	-	-	-	-	2162687	1984750
8.	Sale of Investments	-	-	-	-	-	5652650
9.	Rent Paid	-	-	185490	175281	-	-
10.	DEPB Purchased	-	-	18538759	33814626	-	-
11.	DEPB Sold	-	-	-	36984	-	-

12.	Reimbursments Received	-	-	13573	1061660	-	
13.	Reimbursments Paid	-	-	1030098	2858742	-	
14.	Closing Balance	-	-			-	-
	- Crs./Payable	-	-	44783	7619	-	-
	- Due to Directors	-	-	-	-	63764	114880

***Associates :** Nahar Capital & Financial Services Ltd.

"Enterprises over which KMP is able to exercise significant influence:"

Nahar Spinning Mills Ltd.,Nahar Industrial Enterprises Ltd., Oswal Woollen Mills Ltd., Vanaik Spinning Mills Ltd., Abhilash Growth Fund (P) Ltd., Atam Vallabh Financers Ltd., Bermuda Insurance Brokers Pvt. Ltd., Kovalam Investments & Trading Co. Ltd., Ludhiana Holdings Ltd., Monica Growth Fund (P) Ltd., Nagdevi Trading & Investment Co. Ltd., Nahar Growth Fund (P) Ltd., Neha Credit & Investment (P) Ltd., Ogden Trading & Investment Co. (P) Ltd., Ruchika Growth Fund (P) Ltd., Sankeshwar Holding Co. Ltd., Vanaik Investors Ltd., Vardhman Investments Ltd., J.L. Growth Fund Ltd., Jawahar Lal & Sons, Monte Carlo Fashions Ltd., Hug foods (P) Ltd., Simran & Shanaya Co.Ltd., Sidhant & Mannat Co.Ltd., Palm Motels Ltd., Suvrat Trading Co. Ltd., Amloh Industries Ltd.

Key Management Personnel and their Relatives

Sh. Jawahar Lal Oswal, Sh. Dinesh Oswal, Sh. Kamal Oswal, Sh. S.K. Sharma, Mrs. Abhilash Oswal, Mrs. Ruchika Oswal, Mrs. Manish Oswal, Mrs. Ritu Oswal and Mrs. Monika Oswal

30. Contigent Liabilities

PROVISION AND CONTIGENT LIABILITIES

a) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if :

- the company has a present obligation as a result of past event.

- a probable outflow of resources embodying economic benefits is expected to settle the obligation and

- the amount of the obligation can be reliably estimated.

b) Contingent Liability is disclosed in case of :

- a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or

- a possible obligation, unless the probability of outflow in settlement is remote.

Particulars	Current Year ₹	Previous Year ₹
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	Nil	Nil
(b) Guarantees	604000	Nil
(c) Other money for which the company is contingently liable	Nil	Nil
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed not provided for on Account of: -Capital Nature	Nil	488267
-Other	2126429	2914016
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
(c) Letter of Credit outstanding in favour of Suppliers of Goods (Net of Advances)	7190499	9071697
(d) Other commitments (specify nature)	Nil	Nil
	9920928	**12473980**

31. GENERAL

1) Material events occurring after the balance sheet date are taken into cognizance.
2) Prior period and extra ordinary items of changes in account policies having material impact on the financial affairs of the Company (if any) are disclosed.
3) The accounts of the company have been prepared on going concern basis.
4) In the opinion of the Board, the value of Current Assets, Loans and Advances have a value in the ordinary courses of business at least equal to that stated in the Balance Sheet.
5) The company has only one reportable business segment and therefore no separate disclosure is required in accordance with Accounting Standard (AS)-17 on "segment reporting" notified by the Company (Accounting Standards) Rules, 2006.
6) Some balances of Sundry Creditors, Advances and Sundry Debtors are subject to their confirmation.
7) In accordance with the section 135 of the Companies Act,2013, the company is covered by the provisions of the said section:
   a) The amount required to be spent Nil
   b) Amount Spent Nil

   However the company jointly with other group companies have joined hands under one umbrela, namely Oswal Foundation to carry our CSR activities in future.
8) Previous year figures has been regrouped/reclasified to confirm the current year classification.

As per our Report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants
FRN 001393N

FOR & ON BEHALF OF THE BOARD

Place : LUDHIANA
Date : 30.05.2016

VINOD KUMAR KHANNA
Partner
M.No.081585

ATUL SUD
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
Director
DIN: 00607290

S.K. SHARMA
Executive Director
DIN: 00402712

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF

M/s. NAHAR POLY FILMS LIMITED

LUDHIANA

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Nahar Poly Films Ltd ("the Holding Company") and associate (hereinafter collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2016;

(b) in the case of the Consolidated statement of Profit & Loss, of the profit/ loss for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, is not applicable in case of Consolidated Financial Statements.
2. As required by section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. On the basis of the written representations received from the directors of the holding company as on 31st March, 2016 taken on record by the Board of Directors of the holding company and the associate company, none of the directors of the companies is disqualified as on 31st March, 2016 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 Group and the operating effectiveness of such controls, refer to our separate report in Annexure-A and
   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(I) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the holding company and associate company

(ii) Provision has been made in the consolidated financial statements, 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 holding Company and associate company.

For GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana **VINOD KUMAR KHANNA**
Dated : 30.05.2016 **(Partner)**
M.No.: 081585

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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of **Nahar Poly Films Limited** ("the Holding Company") and its associate company, as of 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 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the 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 2016, 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 GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana **VINOD KUMAR KHANNA**
Dated : 30.05.2016 **(Partner)**
M.No.: 081585

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1ST APRIL, 2015 TO 31ST MARCH, 2016

(In Rs.)

A.	**CASH FLOW FROM THE OPERATING ACTIVITIES**		
	Net Profit before Tax and Extraordinary items	209076416	
	Adjustments for: -		
	Depreciation	220065335	
	(Income)/ Loss from Associates	-43334620	
	Interest Expenditure	78978054	
	Interest Received	-2232024	
	Dividend	-6915244	
	(Profit)/Loss on Sale of Investments	-466743	
	(Profit)/Loss on sale of Fixed Assets	0	
	Operating profit before Working Capital changes		455171174
	Adjustments for :		
	(Increase)/Decrease in Inventories	15341983	
	(Increase)/Decrease in Trade & Other Receivables	32064829	
	(Increase)/Decrease in Short Term Loans & Advances	52566188	
	(Increase)/Decrease in Security Deposit	6000	
	Increase/(Decrease) in Trade Payables & Short Term Others Liabilities	11912061	
	Increase/(Decrease) in Working Capital Bank Borrowing	-281003150	-169112089
	Cash generation from operating activities		286059085
	Interest Paid on Working Capital and others		-17024956
	Taxes (Paid)/Refund		-30050240
	Net cash from operating activities		238983889
B.	**CASH FLOW FROM THE INVESTING ACTIVITIES**		
	Interest Received	2232024	
	Dividend Received	16832692	
	Purchase of Fixed Assets (incl Capital work in process, capital advances, & exp pending for capitalisation)	-2039003	
	Sale of Fixed Assets	0	
	Purchase of Investments	-146777000	
	Sale of Investments	125466743	-4284544
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Increase/Decrease in Share Capital/Reserve	0	
	Share Premium	0	
	Proceeds from Long Term Borrowings	0	
	Repayment of Long Term Borrowings	-174349948	
	Interest Paid on Term Loans	-61953098	
	Increase/(Decrease) in Other Long Term Liabilities	0	
	Dividend Paid (including Corporate Dividend Tax)	0	-236303046
	Net Increase in Cash and Cash Equivalent		-1603701
	Cash & cash equivalents as on 31/03/2015		4078044
	Cash & cash equivalents as on 31/03/2016		2474343

Place : Ludhiana
Date : 30.05.2016

FOR AND ON BEHALF OF THE BOARD

ATUL SUD	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
Company Secretary	Chief Financial Officer	Director DIN: 00607290	Executive Director DIN: 00402712

AUDITOR'S CERTIFICATE

We have checked the above Cash Flow Statement of Nahar Poly Films Limited, derived from the audited financial statements for the year ended 31st March, 2016 with the books and records maintained in the ordinary course of business and found the same in accordance therewith.

For GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana
Dated : 30.05.2016

VINOD KUMAR KHANNA
(Partner)
M.No.:081585

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	Current Year ₹	Previous Year ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	**125776643**	125776643
Reserves and surplus	2	**2098517391**	1965385064
		2224294034	2091161707
Non-current liabilities			
Long-term borrowings	3	**260103651**	434453599
Deferred Tax Liabilities (Net)	4	**34794619**	10345217
		294898270	444798816
Current liabilities			
Short-term borrowings	5	**18139644**	299142794
Trade payables	6	**35872794**	39903989
Other current liabilities	7	**224961644**	209018388
Short-term provisions	8	**24798045**	6571370
		303772127	554636541
TOTAL		**2822964431**	3090597064
ASSETS			
Non-current assets			
Fixed assets	9		
Tangible assets		**671713928**	889160773
Intangible assets		**0**	20799
Non-Current Investments	10	**1620276411**	1567101431
Long-Term Loans and Advances	11	**18776895**	19341583
		2310767234	2475624586
Current assets			
Inventories	12	**79147736**	94489719
Trade receivables	13	**278055747**	310120576
Cash and cash equivalents	14	**2474343**	4078044
Short-term loans and advances	15	**145683846**	198250034
Other current assets	16	**6835525**	8034105
		512197197	614972478
TOTAL		**2822964431**	3090597064
Accounting Policies		**-**	**-**
Notes on Financial Statement	1 to 32		

As per our Report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants
FRN 001393N

FOR & ON BEHALF OF THE BOARD

Place : LUDHIANA
Date : 30.05.2016

VINOD KUMAR KHANNA
Partner
M.No.081585

ATUL SUD
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
Director
DIN:00607290

S.K. SHARMA
Executive Director
DIN:00402712

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31.03.2016

Particulars	Note No.	Current Year	Previous Year
		₹	₹
Revenue from operations	17	**2935930787**	3344921154
Less: Excise Duty		**-318242230**	-311244206
Operating Income		**2617688557**	3033676948
Other income	18	**17815702**	22445926
		2635504259	3056122874
Expenses:			
Cost of materials consumed	19	**1735630936**	2132262302
Purchases of Stock-in-Trade		**0**	0
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	**23969576**	57314391
Employee benefits expense	21	**62708696**	57770036
Finance costs	22	**79799745**	131156014
Depreciation and amortization expense	9	**220065335**	217212414
Other expenses	23	**347588175**	394402050
Total expenses		**2469762463**	2990117207
		165741796	66005667
Tax expense:			
Current tax		**-34724000**	-11700000
Deferred tax		**-24449402**	-18849339
Profit (Loss) For The Period		**106568394**	35456328
Profit From Associates		**43334620**	75406324
		149903014	110862652
Earnings per equity share:	27		
Basic and Diluted		**6.10**	4.51
Accounting Policies			
Notes on Financial Statements	1-32		

As per our Report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants
FRN 001393N

FOR & ON BEHALF OF THE BOARD

Place : LUDHIANA
Date : 30.05.2016

VINOD KUMAR KHANNA
Partner
M.No.081585

ATUL SUD
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
Director
DIN:00607290

S.K. SHARMA
Executive Director
DIN:00402712

1. **SIGNIFICANT ACCOUNTING POLICIES**

i) **ACCOUNTING CONVENTION**

The Consolidated Financial Statements are prepared on accrual basis under the historical cost convention in accordance with the accounting standards notified under the relevant provisions referred to in Companies Act, 2013 and other relevant provisions of the said Act.

ii) **BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements have been prepared on accrual basis under the historical cost convention inaccordance"with the applicable accounting standards prescribed under section 129 of Companies Act, 2013 read with applicable Companies (Accounts) rules, 2014.

iii) **REVENUE RECOGNITION**

a) Sale of Goods: Sale of goods is recognized at the point of dispatch of finished goods to the customers and all the significant risks and rewards of the ownership are transfer to the buyer and the company retains no effective controll and no uncertainty exists regarding the recovery of amount. Sales value is inclusive of excise duty wherever applicable paid on the clearance of finished goods.

b) Exports Benefits: Revenue in respect of exports benefits being DEPB / Duty Drawback Scheme is recognized on post export bases.

c) Dividend Income: Dividend income is recognized when the Company's right to receive payment is established.

d) Investment Income: Profit/loss arising on sale of investments is considered at the time of sale/redemption.

e) Interest Income: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

f) Insurance Claims: Insurance Claims are recognized at the time of occurrence of an event if it is reasonable ascertained

vi) **FIXED ASSETS AND DEPRECIATION**

a) **Tangible assets:** Tangible assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Depreciation is charged on Straight Line bases as per the Useful life specified in schedule-II of the Companies Act, 2013

b) **Intangible Assets:-** Intangible assets are stated at cost less accumulated amount of amortization. Such asset are amortized on Straight Line Bases on the estimated useful life.

v) **INVESTMENTS**

Long term investments are stated at cost. Diminution in value of investments, if any has not been considered being temporary in nature.

vi) **INVENTORIES**

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

- **Raw Material:** Moving weighted average cost plus direct expenses.
- **Stores and Spares:** Moving weighted average cost.
- **Work-in-process:** Cost of raw material plus appropriate share of manufacturing expenses and other relevant overheads.
- **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.
- **Wastage and rejections:** At net realizable value.

vii) **EXPENDITURE INCURRED DURING CONSTRUCTION PERIOD**

All the indirect expenses incurred during construction period up to the date of commencement of commercial production will be capitalized on various categories of fixed assets on proportionate bases.

viii) **RETIREMENT BENEFITS**

a) **Gratuity**

The Company has taken a Group Gratuity Policy from LIC of India to discharge its liability of Gratuity. The

calculation of premium under the policy is made on the basis of actuarial valuation done by LIC.

b) Provident Fund

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 Profit and Loss account.

ix) FOREIGN EXCHANGE TRANSACTIONS

a) Gain or loss on foreign exchange transactions which are relating to fixed assets acquired from a country outside India are adjusted in the cost of relevant fixed asset. Other gains or losses on foreign exchange transactions are recognized in the Profit & Loss Account. Monetary assets and liabilities other than those covered by forward contracts have been valued at the exchange rates prevailing at the close of the financial year

b) In respect of forward contracts, forward premium or discount arising at the inception of forward contract, any profit/loss arising on cancellation renewal of such contracts and exchange difference on such contracts if pertaining to fixed assets acquired from a country outside India only are adjusted in the cost of relevant fixed asset. Other premiums/discounts at inception of contracts and profit/loss on cancellation/renewal of contracts are recognized in profit & loss account in the year in which exchange rates change.

x) EXCISE DUTY

Excise duty payable on finished goods, if any, is accounted for on clearance of goods from the factory. Cenvat in respect of excise duty paid on raw material, stores and capital goods is taken, in accordance with the Cenvat Credit Rules 2004 as amended.

xi) WARRANTY CLAIMS

As per the nature of business of the company, the question of warranty claims does not arise. The routine claims on account of quality or quantity logged with the company other than those which are disputed one, are accounted for as and when accepted by the company.

xii) ACCOUNTING FOR TAXES ON INCOME

The accounting treatment followed for taxes on income is to provide for Current Tax and Deferred Tax. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period. Deferred Tax is the tax effect of timing differences.

xiii)IMPAIRMENT OF ASSETS

At each Balance Sheet date, an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.

xiv) BORROWING COST

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

xv) GOVERNMENT GRANTS / SUBSIDY

Government grants/subsidies are recognized, when there is a reasonable assurance that the company will comply with the conditions attached to them and the grants/subsidy will be received. The government grants/subsidy received for specific asset is reduce from the cost of asset and other grants are shown as income.

xvi) PROVISION AND CONTIGENT LIABILITIES

a) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if :

- the company has a present obligation as a result of past event.
- a probable outflow of resources embodying economic benefits is expected to settle the obligation and
- the amount of the obligation can be reliably estimated.

b) Contingent Liability is disclosed in case of :

- a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- a possible obligation, unless the probability of outflow in settlement is remote.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

The previous year figures have been regrouped/ reclassified, wherever necessary to confirm the current year presentation.

1.1 SHARE CAPITAL

Particulars	Current Year		Previous Year	
	Number	₹	Number	₹
AUTHORISED				
Equity Shares of ₹ 5/- each	90000000	450000000	90000000	450000000
ISSUED, SUBSCRIBED & PAID UP				
Equity Shares of ₹ 5/- each	24587991	122939955	24587991	122939955
Share Forefited Account		2836688		2836688
Total	**24587991**	**125776643**	**24587991**	**125776643**

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

Particulars	Equity Shares	
	Number	₹
Shares outstanding at the beginning of the year	24587991	122939955
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	24587991	122939955

1.3 The company is not having any holding as well as subsidiary company.

1.4 Name of Shareholders holding more than 5% shares of the company.

Name of Shareholder	Current Year		Previous Year	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
M/s Nahar Capital & Financial Services Limited	12087671	49.161	12087671	49.161
M/s Nahar Industrial Enterprises Limited	1264720	5.144	1264720	5.144
M/s Nahar Spinning mills Limited	1247063	5.072	1060620	4.314

1.5 a) The company has not issued any shares in persuance to contract(s) without payment being received in cash during five year immediately preceding the date as at which the Balance Sheet is prepared.

b) The company has not issued any fully paid up Bonus Shares during five year immediately preceding the date as at which the Balance Sheet is prepared.

c) The company has not bought back any Shares during five year immediately preceding the date as at which the Balance Sheet is prepared.

1.6 Shares Forfeited

Number of shares 349336

Amount 2836688

The above shares are forfeited in financial year 2006-07 upon non payment of calls.

2. Reserves & Surplus

Particulars	Current Year	Previous Year
	₹	₹
Securities Premium Account	447800146	447800146
General Reserve		
Opening Balance (Incl. Share of Profit from Associates)	1404528092	1329831246
Depreciation as per Note 9(e) (Net of Deferred Tax)	0	-485344
Current Year Transfer	212669684	75182190
Closing Balance	1617197776	1404528092
Surplus:		
Opening Balance	113056826	80026198
Profit (Loss) for the year	149903014	110862652
Income Tax Adjustments for prior periods	45313	-964529
Transfer To General Reserve	-212669684	-75182190
Share of CDT of Associates recognised as income in p.y.	-2019192	-1685305
Provision for Proposed Dividend	-12293996	0
Provision for Tax on Proposed Dividend	-2502812	0
Balance c/f to Balance Sheet	33519469	113056826
Total	**2098517391**	**1965385064**

3. Long Term Borrowings

Particulars	Current Year	Previous Year
	₹	₹
Term loans		
From banks*		
- Oriental Bank of Commerce	172522352	287549000
- Bank of Maharashtra	-	146904599
- Punjab National Bank	87581299	-
Total	**260103651**	434453599

*The Term loan is secured by way of first charge (on pari passu basis) on factory land and building and hypothecation of Plant and Machinary and other movable / immovable fixed assets acquired / to be acquired under the project of BOPP plant at Mandideep, Bhopal. It is further secured by Second pari passu charge on current assets of the company. The Term Loan is personally guaranted by a Director of the Company and corporate guarantee of Rs. 25.00 crores (Oriental Bank of Commerce) and Rs.15.00 Crores (Punjab National Bank previous year Bank of Maharashtra) given by M/s. Nahar Spinning Mills Ltd.

The above Term Loans are repayable in 32 equal quarterly installments starting from 31.12.2010."

4. Deferred Tax Liability (net of assets)

Particulars	Current Year	Previous Year
	₹	₹
Deferred Tax Liability		
Timing difference on account of Depreciation, change in rate of Tax etc.	35912105	75570611
Deferred Tax Asset		
Timing Difference on Account of c/f unabsorbed depreciation	-	64309211
Timing Difference on account of allowances under section 43B	1117486	916183
Net Deferred Tax Liability	**34794619**	**10345217**

5. Short Term Borrowings

Particulars	Current Year	Previous Year
	₹	₹
Working Capital Loans from banks	18139644	299142794
Total	**18139644**	**299142794**

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

6. Trade Payables

Particulars	Current Year	Previous Year
	₹	₹
Sundry Creditors	35872794	39903989
Total	**35872794**	**39903989**

There are no Micro & Small enterprises covered under Micro, Small and Medium Scale Development Act 2006, to whom the company owes dues, which are outstanding for more than 45 days, hence no disclosure has been given. This information has been determined to the extent such parties, which have been identified by the company.

7. Other Current Liabilities

Particulars	Current Year	Previous Year
	₹	₹
Current maturities of long-term debt	174220000	174055600
TDS Payables	955910	978732
Statutory Liabilities	2865885	1547185
Other Liabilities	24991232	18227572
Advance from customers	20257634	11911872
Security Deposits	123331	125047
Due to Directors	63764	114880
Unpaid dividends	1483888	2057500
Total	**224961644**	209018388

8. Short Term Provisions

Particulars	Current Year	Previous Year
	₹	₹
Proposed Dividend	12293996	-
Dividend Distribution Tax	2502812	-
Provision for Current Year Income Tax (Net of Advance Tax)	10001237	6571370
Total	**24798045**	6571370

9. Fixed Assets

	Particulars	Gross Block				Depreciation				Net Block	
		As on 01.04.15	Additions 2015-16	Sales/ Adj	As on 31.03.16	As on 01.04.15	Additions 2015-16	Sales/ Adj	As on 31.03.16	As on 31.03.16	As on 31.03.15
A	**TANGIBLE ASSETS**										
	LAND & BUILDING										
	- LAND	17653165	0	0	17653165	0	0	0	0	17653165	17653165
	- BUILDING	246332460	0	0	246332460	40163236	13159145	0	53322381	193010079	206169224
	SUB TOTAL (A)	263985625	0	0	263985625	40163236	13159145	0	53322381	210663244	223822389
	PLANT & MACHINERY										
	- MACHINERY	1387756968	1402128	0	1389159096	726750675	206169661	0	932920336	456238760	661006293
	- VEHICLES	2297929	1033606	0	3331535	514282	320498	0	834780	2496755	1783647
	- OTHER EQUIPMENTS	5324948	106827	0	5431775	3406437	290226	0	3696663	1735112	1918511
	SUB TOTAL (B)	1395379845	2542561	0	1397922406	730671394	206780385	0	937451779	460470627	664708451
	FURNITURE & FIXTURES										
	- FURNITURE & FIXTURES	1334888	55130	0	1390018	704955	105006	0	809961	580057	629933
	SUB TOTAL (C)	1334888	55130	0	1390018	704955	105006	0	809961	580057	629933
	TOTAL (TANGIBLE ASSETS)	1660700358	2597691	0	1663298049	771539585	220044536	0	991584121	671713928	889160773
B	**INTENGIBLE ASSETS**										
	- SOFTWARE	415981	0	0	415981	395182	20799	0	415981	0	20799
	TOTAL (INTENGIBLE ASSETS)	415981	0	0	415981	395182	20799	0	415981	0	20799
C	**CAPITAL WIP**									**0**	**0**
	TOTAL (CURRENT YEAR)	1661116339	2597691	0	1663714030	771934767	220065335	0	992000102	671713928	889181572
	TOTAL (PREVIOUS YEAR)	1624308859	37998709	1191229	1661116339	554467749	217930857	463839	771934767	889181572	1077901613

a) There are no intengible assets under development as on 31.03.2016 as well as on 31.03.2015.

b) At each Balance Sheet date, an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.

c) All the indirect expenses incurred during construction period upto the date of commencement of commercial production are capitalized on various categories of fixed assets on proportionate bases.

d) No borrowing cost has been capitalized during the current as well as in previous financial year.

e) In previous year Fixed Assets have been revised in accordance with Schedule II to The Companies Act, 2013 and based on the transitional provisions provided in Note 7 (b) of schedule – II to the act, an amount of Rs.485344 (Depreciation Rs.718443 reduced by Rs.233099 being Deferred Tax Asset thereon) has been reduced from retained earnings in respect of assets having no useful life as on 1st April 2014 and is included in the figure of depreciation during the year 2014-15 and is not shown separately in the above chart.

10. Non Current Investments

Particulars	Current Year	Previous Year
	₹	₹
Other Investments		
(a) Investment in Equity instruments	1598499411	1567101431
(b) Investments in debentures and bonds	21777000	-
Total	**1620276411**	**1567101431**

Particulars	Current Year	Previous Year
	₹	₹
Aggregate amount of quoted investments (Market value of ₹ 1183030323/- ,Previous Year Market value of ₹ 1144061238/-)	1620276411	1567101431
Aggregate amount of unquoted investments	-	-

Details of Other Investments

Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity / Others	No. of Shares/ Units		Quoted / Un-quoted	Partly Paid/ Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost	If Answer to Column (9) is 'No' - Basis of Valuation
		C. Year	P. Year			C. Year	P. Year	C. Year	P. Year		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Investment in Equity Instruments											
M/s. Nahar Capital & Financial Services Limited	Associate	6611632	6611632	Quoted	Fully paid	39.481%	39.481%	367315961	367315961	Yes	N.A.
Add: Accumulated Profits of Associate Company								634596902	603198922		
Book Value of investment (net of Capital reserve of Rs.1007826239) previous year same								1001912863	970514883		
M/s. IDFC Limited	Others	5000	5000	Quoted	Fully paid	0.000%	0.000%	102986	170000	Yes	N.A.
M/s. IDFC Bank Ltd.	Others	5000		Quoted	Fully paid		0.000%	67014		Yes	N.A.
M/s. Nahar Spinning Mills Limited	Related Company	6902244	6902244	Quoted	Fully paid	19.138%	19.138%	381415718	381415718	Yes	N.A.
M/s. Nahar Industrial Enterprises Limited	Related Company	2708800	2708800	Quoted	Fully paid	6.706%	6.706%	215000830	215000830	Yes	N.A.
IRFC TAX FREE BOND	Others	11757	--	Unquoted	Fully paid	--	--	11757000	--	Yes	N.A.
NABARD TAX FREE BONDS	Others	10020	--	Unquoted	Fully paid	--	--	10020000	--	Yes	N.A.
Total								**1620276411**	**1567101431**		

11. Long Term Loans & Advances

Particulars	Current Year	Previous Year
	₹	₹
Capital Advances	-	558688
Security Deposits	18776895	18782895
Total	**18776895**	**19341583**

12. Inventories

Particulars	Current Year	Previous Year
	₹	₹
a. Raw Materials and components	28380107	18723714
b. Work-in-progress	28410315	54657013
c. Finished goods	3904530	1330147
d. Waste/Scrap Material	214348	511610
e. Stores and spares	182384396	19267235
Total	**79147736**	**94489719**

13. Trade Receivables

Particulars	Current Year	Previous Year
	₹	₹
Trade receivables outstanding for a period less than six months from the date they are due for payment		
- Unsecured, considered good	275786164	307671141
	275786164	307671141
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered good	2269583	339383
- Unsecured, considered doubtful	-	2110052
Total	**278055747**	**310120576**

No trade receivables stated above include debts due by directors, Other officers of the company, firm in which director is a partner or private company in which director is a member. (Previous Year Same).

14. Cash and cash equivalents

Particulars	Current Year	Previous Year
	₹	₹
a. Balances with banks		
This includes:		
- In Current Accounts	189669	1627586
- Earmarked Balances (eg/- unpaid dividend accounts)	1483888	2057500
- Margin money FDR#	263252	186393
b. Cash on hand	537534	206565
Total	**2474343**	**4078044**

 # Maturity period of fixed deposits are more than 12 months

15. Short-term loans and advances

Particulars	Current Year	Previous Year
	₹	₹
MODVAT / Cenvat Credit Unutilised	5241276	27078964
Others Unsecured, considered good	140442570	171171070
Total	**145683846**	**198250034**

No Short-term loans and advances stated above include debts due from Directors, Other officers of the company, firms in which director is a partner or private company in which director is a member. (Previous year Same)

16. Other Current Assets

Particulars	Current Year	Previous Year
	₹	₹
Advance Taxes (Net of Provisions)	6835525	8034105
Total	**6835525**	**8034105**

17. Operating Income

Particulars	Current Year	Previous Year
	₹	₹
Operating Income:		
Export Sales	68349094	434462336
Domestic Sales	2813899596	2852326566
	2882248690	3286788902
Less:		
Excise Duty	-318242230	-311244206
Net Sales	2564006460	2975544696
Export Incentives	1930435	7687677
OPERATING INCOME	2565936895	2983232373
Other Operating Income:		
Sales Miscellaneous	6856119	6653556
Others	44895543	43791019
	51751662	50444575
Total	**2617688557**	**3033676948**

17.1 Detail of Sales

Particulars	Current Year	Previous Year
	₹	₹
EXPORT SALES		
- Direct Export of BOPP Film	68349094	434462336
Local Sales		
- Deemed Export of BOPP Film	97826651	113884887
- BOPP Film	2707658954	2720574858
- BOPP Other (Incl.Waste)	8413991	17866821
- Other (Misc.Scrap)	6856119	6653556
Total	**2889104809**	**3293442458**

18. Other Income

Particulars	Current Year	Previous Year
	₹	₹
Dividend Income (From Longterm Investments)	6915244	9624044
Interest Gross	2232024	1823464
Profit on Sale of Investments	466743	4689923
Misc.Receipts	6535109	4115956
Prior Period Items	1660268	2192539
Exchange Rate Difference	6314	-
Total	**17815702**	**22445926**

19. Cost of Raw Material Consumed

Particulars	Current Year	Previous Year
	₹	₹
Opening Stock of Raw Material	18723714	35149083
Raw Material Purchases (Net of Sales)	1745287329	2115836933
Closing Stock of Raw Material	28380107	18723714
Raw Material Consumed	**1735630936**	**2132262302**

19.1 Detail of Raw Material Consumed

Particulars	Current Year	Previous Year
	₹	₹
PP Resins and Additives	**1735630936**	**2132262302**

20. Change in Inventories of Finished Goods, Work in Progress and Stock in Trade

Particulars	Current Year	Previous Year
	₹	₹
OPENING STOCK		
- Finished Goods	1841757	58140190
- Work in Progress	54657013	55672971
	56498770	113813161
CLOSING STOCK		
- Finished Goods	4118879	1841757
- Work in Progress	28410315	54657013
(Increase) /Decrease in Finished Goods & WIP Stock	**23969576**	**57314391**

20.1 Detail of Opening and Closing Stock of Goods Produced and Traded in

Particulars	Current Year	Previous Year
	₹	₹
OPENING STOCK		
BOPP Films	1330147	57680414
Waste	511610	459776
CLOSING STOCK		
BOPP Films	3904530	1330147
Waste	214349	511610

21. Employee Benefits Expenses

Particulars	Current Year	Previous Year
	₹	₹
Salary Wages And Bonus	52493784	48235144
Contribution To PF,ESI, Group Insurance & Gratuity	5866917	5401139
Employee Welfare Exp.	4347995	4133753
TOTAL	**62708696**	**57770036**

21.1 The Employee's Gratuity fund scheme is managed by LIC. The following Table set out the funded status of the gratuity plan recogonized as per the company's financial statement as at 31.03.2016

S.No.	Particulars	Current Year	Previous Year
		₹	₹
1	Assumptions		
	Discount Rate	8%	8%
	Salary Escalation	7%	7%
	Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)

2	Reconciliation of Opening and Closing balances of defined benefit obligation:		
	Present value of obligations as at the beginning of the year	7092778	5527832
	Interest Cost	567422	442227
	Current Service Cost	1389708	1176176
	Benefit Paid	(147213)	0
	Acturial (gain/(Loss) on obligations	(167610)	(53457)
	Present value of obligations as at the end of the year	8735085	7092778
3	Reconciliation of Opening and Closing balances of plan assets:		
	Fair value of plan as at the beginning of year	7176741	5611795
	Returns on plan asset	642728	516632
	Contributions	1146792	1048314
	Benefit Paid	(147213)	0
	Acturial (gain/(Loss) of Plan Asset	0	0
	Fair value of plan as at the end of year	8819048	7176741
4	Reconciliation of fair value of assets and obligations:		
	Present Value of obligations as at the end of year	8735085	7092778
	Fair value of plan as at the end of year	8819048	7176741
	Net Asset/(Liability) recognized in the Balance Sheet	(83963)	(83963)
5	Expenses Recognized in statement of Profit & Loss		
	Current Service Cost	1389708	1176176
	Interest Cost	567422	442227
	Expected return on plan asset	(642728)	(516632)
	Net Acturial (gain)/loss recognised in the year	(167610)	(53457)
	Expenses Recognized in statement of Profit & Loss	1146792	1048314

22. Financial Expenses

Particulars	Current Year	Previous Year
	₹	₹
Interest expense		
- Interest To Banks		
- On Working Capital	17020792	33807365
- On Term Loans	61953098	88119492
- Interest to Others	4164	8775099
Other borrowing costs	821691	454058
Total	**79799745**	**131156014**

23. Other Expenses

Particulars	Current Year	Previous Year
	₹	₹
MANUFACTURING EXPENSES (A)		
Power And Fuel	150813152	163725620
Dyes & Chemicals	316586	238856
Machinery Repair And Maintenance	17775519	14122407
Entry Tax on Purchase of Goods	15866101	192466
Other Manufacturing Expenses	1140382	1725257
Total (A)	**185911740**	**180004606**
SELLING EXPENSES (B)		
Advertisement	-	15930
Brokerage/Commission On Sale	4180728	2926813
Export Development And Sale Promotion	435320	48471
Packing & Forwarding Charges	114848972	154146438

Foreign Travelling Expenses (Others)	21043	442659
Rebate & Discount	20481522	17642545
Commission On Export Sales	2284551	10247074
Other Selling Expenses	151223	8485461
Total (B)	**142403359**	**193955391**
EXCISE DUTY ON CLOSING STOCK (C)	**63205**	**204363**
ADMINISTRATIVE EXPENSES (D)		
Vehicle Maintenance	720903	631372
Conveyance	801447	994426
Rent	185490	175281
Fees And Taxes	768173	687878
Insurance	5133221	6063086
Legal And Professional Expenses	1472569	1580962
Printing And Stationery	571648	390803
Postage And Telegraph	198804	330636
Miscellaneous Expenses	1888278	1937082
Directors Sitting Fees	380000	365000
Travelling Expenses		
Directors	25124	31282
Others	1010140	1009646
Auditors Remuneration		
Audit Fees	223962	209327
Tax Audit Fees	42522	41910
Certification Charges	25793	4050
Other Expenses	-	3677
Telephone Expenses	605765	667170
Share Department Exp	272515	219590
Total (D)	**14326354**	**15343178**
OTHER EXPENSES (E)		
Building Repair & Maintenance	628165	142979
General Repair & Maintenance	1068923	1194394
Loss On Sale Of Fixed Assets	-	32278
Amount Written Off	2236112	999919
Previous Year Expenses	238188	642152
Previous Year Income Written Back	-	132712
Bank Charges	649948	1666726
Exchange Rate Difference	-	83352
Fines & Penalties	62181	-
Total (E)	**4883517**	**4894512**
Total (A to E)	**347588175**	**394402050**

24. Value of Imported and Indigenious Raw Materials, Stores, Spare Parts and Components Consumed

Particulars	Current Year	% Age of	Previous Year	% Age of
	₹	Cons.	₹	Cons.
Raw Material				
- Imported	98268922	5.66%	131845866	6.18%
- Indigenous	1637362014	94.34%	2000416436	93.82%

Spare Parts, Stores and Components				
- Imported	7593672	10.55%	8450805	8.14%
- Indigenous	64412212	89.45%	95366446	91.86%

25. CIF Value of Imports

Particulars	Current Year	Previous Year
	₹	₹
Raw Materials	92300262	124504318
Stores and Spares	8108595	6932620

26. Expenditure in Foreign Currency

Particulars	Current Year	Previous Year
	₹	₹
Foreign Travelling	-	179441
Commission on Export Sales	-	7289772
Subscription Expenses	666564	292065

27. Earning Per Share

The calculation of Earnings per Share (EPS) as disclosed in the Balance Sheet Abstract has been made in accordance with Accounting Standard (AS)-20 on 'Earnings per Share' issued by the Institute of Chartered Accountants of India.

Particulars	Current Year ₹	Previous Year ₹
BASIC AND DILUTED		
Earning per share has been computed as under:		
BASIC		
a) Profit after Taxation	149948327	109898123
b) Number of weighted average shares outstanding	24587991	24587991
c) Earning per share (face value Rs. 5/- per share)	6.10	4.47
DILUTED		
a) Profit after Taxation	149948327	109898123
b) Number of weighted average shares outstanding	24587991	24587991
c) Earning per share (face value Rs. 5/- per share)	6.10	4.47

28. Earning In Foreign Exchange

Particulars	Current Year	Previous Year
	₹	₹
FOB value of Exports	66523466	414116258

29. Consolidation Information:

(i) The Consolidated Financial Statements present the consolidated Accounts of Nahar Poly Films Limited and its following associate:-

Name of Associate	Net Assets of an Associate & profit for the year			Extent of Shareholding %		Original Cost of Investment		Amount of Capital Reserve		Accumulated profits after acquisition of shares of associates at the year end & Proft for the year	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Nahar Capital and Financial Services Limited	Net Asset	5090336488	5010810105	39.481%	**39.481%**	367315961	367315961	1007826239	1007826239	634596902	603198922
	Profit FTY	109759000	190991728							43334620	75406324

(ii) The financial statements of the Company and its associate company are combined as per the equity method of accounting prescribed by Accounting Standard (AS) - 23 on "Accounting for Investments in Associates" as issued by The Institute of Chartered Accountants of India.

The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Capital Reserve and is netted with the book value of investment.

30. RELATED PARTY DISCLOSURE:

Detail of transactions entered into with related parties during the period as required by Accounting Standard 18 on'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are as under:

Sr.No.	PARTICULARS	Associates		Enterprises over which KMP is able to exercises ignificant influence		Key Management	
		Current year	Previous year	Current year	Previous year	Current year	Previous year
1.	Inter Corporate Deposits Received	-	-	-	200300000	-	-
2.	Inter Corporate Deposits repaid back	-	-	-	200300000	-	-
3.	Interest Paid	-	-	-	8732114	-	-
4.	Fixed Assets Sold	-	-	-	-	-	-
5.	Misc.Sales	-	-	171501	20561	-	-
6.	Directors Sitting Fee	-	-	-	-	100000	95000
7.	Directors Remuneration	-	-	-	-	2162687	1984750
8.	Sale of Investments	-	-	-	-	-	5652650
9.	Rent Paid	-	-	185490	175281	-	-
10.	DEPB Purchased	-	-	18538759	33814626	-	-
11.	DEPB Sold	-	-	-	36984	-	-
12.	Reimbursments Received	-	-	13573	1061660	-	
13.	Reimbursments Paid	-	-	1030098	2858742	-	
14.	Closing Balance						
	- Crs./Payable	-	-	44783	7619	-	-
	- Due to Directors	-	-	-	-	63764	114880

***Associates :** Nahar Capital & Financial Services Ltd.

"Enterprises over which KMP is able to exercise significant influence:"

Nahar Spinning Mills Ltd.,Nahar Industrial Enterprises Ltd., Oswal Woollen Mills Ltd., Vanaik Spinning Mills Ltd., Abhilash Growth Fund (P) Ltd., Atam Vallabh Financers Ltd., Bermuda Insurance Brokers Pvt. Ltd., Kovalam Investments & Trading Co.Ltd.,Ludhiana Holdings Ltd., Monica Growth Fund (P) Ltd., Nagdevi Trading & Investment Co. Ltd., Nahar Growth Fund (P) Ltd., Neha Credit & Investment (P) Ltd., Ogden Trading & Investment Co. (P) Ltd., Ruchika Growth Fund (P) Ltd., Sankeshwar Holding Co. Ltd., Vanaik Investors Ltd., Vardhman Investments Ltd., J.L. Growth Fund Ltd., Jawahar Lal & Sons, Monte Carlo Fashions Ltd., Hug foods (P) Ltd., Simran & Shanaya Co.Ltd., Sidhant & Mannat Co.Ltd., Palm Motels Ltd., Suvrat Trading Co. Ltd., Amloh Industries Ltd.

Key Management Personnel and their Relatives

Sh. Jawahar Lal Oswal, Sh. Dinesh Oswal, Sh. Kamal Oswal, Sh. S.K. Sharma, Mrs. Abhilash Oswal, Mrs. Ruchika Oswal, Mrs. Manish Oswal, Mrs. Ritu Oswal and Mrs. Monika Oswal

31. Contigent Liabilities

PROVISION AND CONTIGENT LIABILITIES

a) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if :

- **the company has a present obligation as a result of past event.**
- **a probable outflow of resources embodying economic benefits is expected to settle the obligation and**
- **the amount of the obligation can be reliably estimated.**

b) Contingent Liability is disclosed in case of :

- **a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or**
- **a possible obligation, unless the probability of outflow in settlement is remote.**

Particulars	Current Year	Previous Year
	₹	₹
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	Nil	Nil
(b) Guarantees	604000	Nil
(c) Other money for which the company is contingently liable	Nil	Nil
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed not provided for on Account of: -Capital Nature	Nil	488267
-Other	2126429	2914016
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
(c) Letter of Credit outstanding in favour of Suppliers of Goods (Net of Advances)	7190499	9071697
(d) Other commitments (specify nature)	Nil	Nil
	9920928	**12473980**

The above figure of contingent liability does not include amount of company's share of Rs.93300695 (Previous year Rs. 99432504) on account of contingent liability of associate company.

32. GENERAL

1) Material events occurring after the balance sheet date are taken into cognizance.
2) Prior period and extra ordinary items of changes in account policies having material impact on the financial affairs of the Company (if any) are disclosed.
3) The accounts of the company have been prepared on going concern basis.
4) In the opinion of the Board, the value of Current Assets, Loans and Advances have a value in the ordinary courses of business at least equal to that stated in the Balance Sheet.
5) The company has only one reportable business segment and therefore no separate disclosure is required in accordance with Accounting Standard (AS)-17 on "segment reporting" notified by the Company (Accounting Standards) Rules, 2006.
6) Some balances of Sundry Creditors, Advances and Sundry Debtors are subject to their confirmation.
   a) The amount required to be spent Nil
   b) Amount Spent Nil

   However the company jointly with other group companies have joined hands under one umbreia, namely Oswal Foundation to carry our CSR activities in future.
7) In accordance with the section 135 of the Companies Act,2013, the company is covered by the provisions of the said section:
   a) The amount required to be spent Nil
   b) Amount Spent Nil

   However the company jointly with other group companies have joined hands under one umbrela, namely Oswal Foundation to carry our CSR activities in future.
8) Previous year figures has been regrouped/reclasified to confirm the current year classification.

As per our Report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants
FRN 001393N

FOR & ON BEHALF OF THE BOARD

Place : LUDHIANA	**VINOD KUMAR KHANNA**	**ATUL SUD**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
Date : 30.05.2016	Partner	Company Secretary	Chief Financial Officer	Director	Executive Director
	M.No.081585			DIN: 00607290	DIN: 00402712

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.	
2.	Name of the subsidiary	N.A.
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
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:
1. Names of subsidiaries which are yet to commence operations : N.A.
2. 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	31.03.2016
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 %	 66,116,32 36,73,15,961 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	20097.39
6.	Profit / Loss for the year	1097.59 (Rs. In Lacs)
i.	Considered in Consolidation	433.34 (Rs. In Lacs)
ii.	Not Considered in Consolidation	664.25 (Rs. In Lacs)

As per our Report of even date annexed
For GUPTA VIGG & COMPANY
Chartered Accountants
FRN 001393N

FOR & ON BEHALF OF THE BOARD

Place : LUDHIANA
Date : 30.05.2016

VINOD KUMAR KHANNA
Partner
M.No.081585

ATUL SUD
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
Director
DIN: 00607290

S.K. SHARMA
Executive Director
DIN: 00402712

NAHAR POLY FILMS LTD

Registered office: 376, Industrial Area – A, Ludhiana – 141003
CIN: L17115PB1988PLC008820
E-mail: secnel@owmnahar.com; Website: www.owmnahar.com

BALLOT FORM

Sr. No. _____

Name and Registered Address of the Sole/ First named Member :

Names of the Joint Member(s), if any :

Registered Folio No. / DP ID No. / Client ID No. :

No. of shares held :

I/We hereby exercise my/our vote(s) in respect of the following Resolutions as set out in the Notice dated August 12, 2016 of the Company by conveying my/our assent (for) or dissent (against) the said Resolutions by placing the tick mark (✓) at the appropriate box below:

Resolution No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	(i) To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2016 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 March 31, 2016, together with the Report of the Auditors thereon.			
2	To declare dividend on Equity Shares.			
3	To appoint a director in place of Mr. Dinesh Gogna (DIN00498670), who retires by rotation and being eligible offers himself for re-appointment.			
4	To appoint a director in place of Mr. Komal Jain (DIN 00399948), who retires by rotation and being eligible offers himself for re-appointment.			
5	To appoint Auditors and fix their remuneration			
6	To ratify the remuneration of Cost Auditors.			
7	To Reappointment Mr. Satish Kumar Sharma, Executive Director of The Company			

Place:

Date:

Signature of the Member

or

Authorised Representative

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Notes :

(i) If you have casted your vote by e-voting, there is no need to fill up and sign this form.

(ii) Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. General Instructions:

a. There will be one Ballot Form/e-voting for every Client ID No./Folio No., irrespective of the number of joint holders.

b. Members have option to vote either through remote e-voting or through Ballot Form at the AGM. If a member has casted vote via remote e-voting, then vote cast by him/her via ballot form at the AGM shall be considered as invalid.

c. Voting in the ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization, as stated below under instruction no. 2(b).

d. Any query in relation to the Resolutions proposed to be passed at the ensuing AGM may be addressed to Company Secretary, at the Registered Office of the Company.

e. The Scrutinizer's decision on the validity of a Ballot/E-voting shall be final and binding.

2. Instructions for voting physically by Ballot Form:

a. This Form must be completed and signed by the Member who is desirous of exercising his/her vote at the 28th Annual General Meeting, as per specimen signature registered with the Company or Depository Participant, as the case may be. In case of joint holding, this Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.

b. In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.

c. Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on cut off date i.e. 23rd September, 2016.

d. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column in the Ballot Form. The assent or dissent received in any other form shall not be considered valid.

e. Members are requested to fill the Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.

f. Incomplete, unsigned or incorrectly ticked Ballot Forms will be rejected.

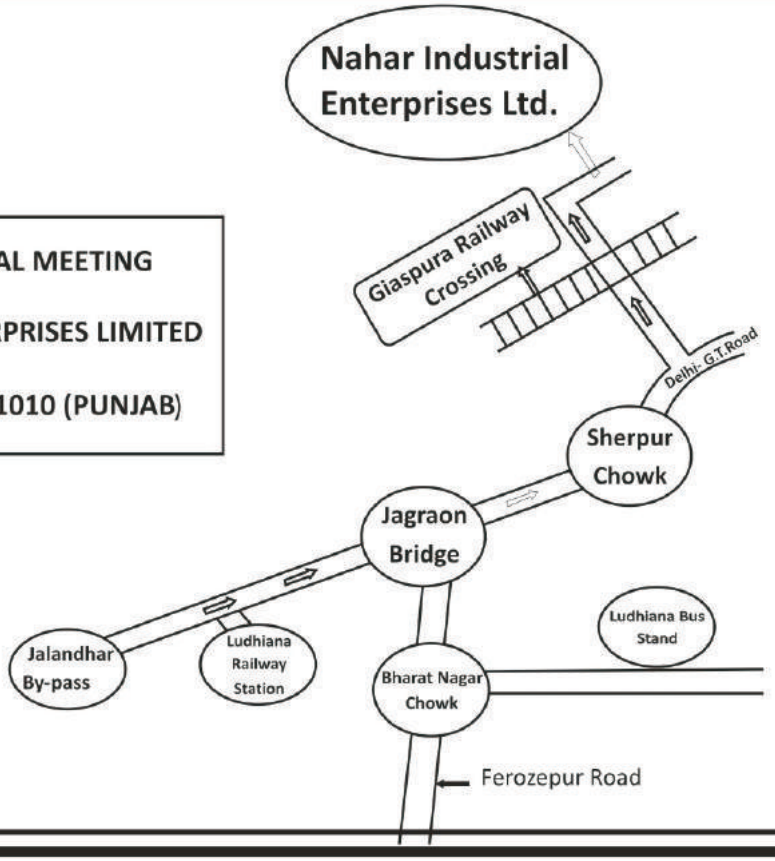
g. The Scrutinizer shall immediately after the conclusion of Annual General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in the favor or against, if any, forthwith to the Chairman of the Company.

h. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.owmnahar.com and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

VENUE OF ANNUAL GENERAL MEETING

NAHAR INDUSTRIAL ENTERPRISES LIMITED

FOCAL POINT, LUDHIANA – 141010 (PUNJAB)



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Save Tree
Save Earth

Green Initiative

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 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 gredressalnpfl@owmnahar.com.

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

OUTER VIEW OF COMPANY'S BOPP FILMS PLANT

if undelivered, please return to :

Nahar POLY FILMS LIMITED

Regd. Office : 376, Industrial Area-A, Ludhiana 141 003

Printed at : Macro Printers 0 98 72 200749

NAHAR POLY FILMS LIMITED
CIN: L17115PB1988PLC008820
Regd. Office: 376, Industrial Area – A, Ludhiana – 141003
Phone No.: 0161-2665000 Fax No.: 0161-2661180
E-mail: secnel@owmnahar.com Website: www.owmnahar.com

ATTENDANCE SLIP
E- VOTING PARTICULARS

28TH ANNUAL GENERAL MEETING

2016

I/we hereby record my/our presence at the 28th Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 2.00 p.m. at the premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana-141010 (Punjab).

DP ID		Folio No.	
Client ID		No. of Shares Held	
Member's/Proxy's Name in Block Letters		Member's/Proxy's Signature	

Note: 1. Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting venue.
2. Please read instructions given at Note No. 24 of the Notice of 28th Annual General Meeting, carefully before voting electronically.

ELECTRONIC VOTING PARTICULARS

EVSN (E-voting Sequence Number)	User ID/Folio No./DP / Client ID	Sequence No.

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NAHAR POLY FILMS LIMITED
CIN: L17115PB1988PLC008820
Regd. Office: 376, Industrial Area – A, Ludhiana – 141003
Phone No.: 0161-2665000 Fax No.: 0161-2661180
E-mail: secnel@owmnahar.com Website: www.owmnahar.com

PROXY FORM (Form No. MGT-11)
(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint :

1. Name:_____ Address:_____
   E-mail Id: _____ Signature: _____, or failing him
2. Name:_____ Address:_____
   E-mail Id: _____ Signature: _____, or failing him
3. Name:_____ Address:_____
   E-mail Id: _____ Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 2.00 p.m. at the Premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.	Resolution	'Optional'	
		For	Against
1.	ADOPTION OF FINANCIAL STATEMENTS – STANDALONE AS WELL AS CONSOLIDATED		
2.	DECLARATION OF DIVIDEND ON EQUITY SHARE CAPITAL		
3.	APPOINTMENT OF MR. DINESH GOGNA AS A DIRECTOR LIABLE TO RETIRE BY ROTATION		
4.	APPOINTMENT OF MR. KOMAL JAIN AS A DIRECTOR LIABLE TO RETIRE BY ROTATION		
5.	APPOINTMENT OF AUDITORS		
6.	RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY		
7.	REAPPOINTMENT OF MR. SATISH KUMAR SHARMA, EXECUTIVE DIRECTOR OF THE COMPANY		

Signed this ____ day of _____, 2016

Signature of shareholder / Signature of Proxy holder(s): _____

Affix Revenue Stamp of Re. 1/-

Notes : 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions and Notes, please refer to the Notice of the 28th Annual General Meeting.
3. * It is optional to put a (✓) in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.